Business Diplomacy in Implementing the Global 2030 Development Agenda: Core Competencies Needed at the Corporate and Managerial Level

Lichia Yiu and Raymond Saner, (Final Draft Version)

Abstract

Purpose — Faced with global concerns about increasing vulnerability of the global system and its sustainability, private companies are asked and encouraged to con-tribute to the implementation of the 2030 Agenda for Sustainable Development Goals (SDGs) through multi-sectoral partnerships. Implementing the SDGs will require coordinated and collective effort by all stakeholders to move the world for- ward towards a shared vision as set out in the SDG goals and targets. Business diplomats representing the interests of enterprises are crucial to ensure a mutually beneficial participation of business in the implementation of the SDGs. Propositions are made in this chapter to outline the requisite competencies needed to implement business diplomacy both at the organisational and managerial levels in the context of SDGs implementation.

Method/Approach — The method used for this study consists of literature review, conceptual analysis and further development of organisational theory.

Findings — The SDGs in fact means transforming all countries and actors in all spheres of human existence in an integrated and coherent manner. This transformative journey will not be incremental, but rather disruptive and demands fresh new thinking and smart system redesign. The private sector has been recognised as a leading player in this endeavour that could and should contribute to the success of SDG implementation due to its comparative excellence in process design, management know-how, control of resources and global outreach. To ensure a healthy functioning of diverse formal and informal partnerships, business diplomats will have a central role to play in safeguarding the integrity of multiple interfaces with

internal and external multistakeholders. Business diplomacy shall ensure timely consultations and seek feedback from their constituent stakeholders while at the same time doing their best to get their company to contribute to the SDGs.

Originality — This is the first article published so far which describes and discusses the role and contribution of business diplomats in the context of SDG implementation.

Keywords: Business diplomacy; sustainable development goals; business sustainability; organisational and multi-stakeholder learning

Introduction[1]

After two years of intense and difficult negotiations, 193 countries signed up to sustainable development goals (SDG) in September 2015 in New York. World leaders pledged their commitment to 17 SDGs, including ending extreme poverty, fixing climate change and fighting inequality and injustice, in a bid to attain an equitable, more prosperous and sustainable world for all.

The SGDs are intended to stimulate sustainable and equitable growth during the next 15 years in areas of critical importance and are based on an integrated development approach consisting of three interconnected dimensions (economic, social and environmental sustainability). In order to achieve these goals and dimensions, structural economic transformation is needed in order to support the transition to a green and sustainable economy.

According to the Council of the European Union, this framework should '[c]onsist of a single set of clear goals, which are ambitious, evidence-based, achievable, action-oriented, limited in number and easy to communicate, with measurable tar- gets and indicators which are both qualitative and quantitative and which should be reviewed and monitored to ensure transparency and accountability.' (Council of the European Union, 2013)

To turn this ambitious undertaking into reality by 2030, countries need to work together to build the practical tools that enable them to opt for a multidimensional approach to the challenges and opportunities spurred by this commitment. This means concurrently targeting multiple policy objectives (sustainability, equity, growth and well-being as a whole), taking a cross-cutting and integrative view rather than sector-based lenses to analyse competing challenges and their drivers and considering compatibilities and complementarities between different policy options.[2]

As one of the crucial pillars of modern society, business is expected to do its part in implementing this transformative agenda by mainstreaming the SDGs into its

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[1]Introduction based on Saner and Yiu (2016).
[2]http://www.oecdobserver.org/news/fullstory.php/aid/4955/Sustainable_Development_Goals:_A_revolution_ begins.html#sthash.TW18y73C.dpuf)

respective business strategies and plans and forging innovative and entrepreneurial ventures with non-traditional partners.

Although the process of arriving at the 2030 development agenda was led by UN member states, participation by non-state actors such as from civil society stakeholders and business associations were central to the negotiation of the agreed 2030 Agenda for Sustainable Development. This shared ownership and converged visions permeate the whole negotiation process from setting the targets to the implementation of the agenda cutting across all sectors. Therefore, it is logical to expect that the SDG implementation process will involve governments, civil society organisations (CSOs) and business. Non-Governmental Organisations (NGOs) will check whether business is aligned to the SDGs (details of the 17 SDG goals are presented in Appendix 1), monitor the social and environment impacts of business and make these impacts more transparent. On a more proactive side, these NGOs might seek to engage in active dialogues with the government and business on policy making, investment strategies and infrastructure design. This recalibrating of relationships and operational role of business in the attainment of SDGs is stated clearly in SDG Goal 17 and its subordinating targets 17.16 and 17.17, which state:

17.16 Enhance the global partnership for sustainable development, complemented by multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals in all countries, in particular developing countries

17.17 Encourage and promote effective public, public private and civil society partnerships, building on the experience and resourcing strategies of partnerships

SDG Goal 17 contains 19 targets ranging from financing for sustainable development to technology, capacity building, trade to systemic issues. The systemic issues highlighted include policy and institutional coherence, multi-stakeholder partnerships, data, monitoring and accountability.

As a partner in achieving these SDGs, companies large or small, transnational or local, are invited to develop collaborative relationships with non-business stakeholders embedded in the same spatial system to achieve collective impact and sustainability of the local structure. While the corporate world is accustomed to manage business performance in terms of customer satisfaction, shareholder values and corporate branding with the consumer groups and investors, it is less able to deal with non-business stakeholders, impact investors and other critical actors involved in the public domain.

From Transactions to Partnerships: The Challenge of SDG Implementation for Business

Implementing the 17 SDG goals by forging collective impact cannot be achieved through a 'business as usual' approach. Instead, innovations need to be fostered

through applying new standards throughout the global supply chains and global value chains, partnerships and alliances to address diverse perspectives and needs, social platforms where all stakeholders, business and non-business could meet and exchange; imagine alternative business models and promote through experimentation and learning novel institutional arrangements and mechanisms to ensure policy coherence and coordinated impact. In this context, business with capacity to mutate and agility to adapt would do well. Implementing such broad and deep commitments like the SDGs and achieving mutually beneficial partnerships requires additional organisational capabilities both internally and externally. Externally, enhanced capabilities are needed to engage non-business counterparts operating in the same business ecosystem constructively. Equally important is the capability to convince actors within enterprises to first agree to align their company with the SDGs and their ensuing measurements and secondly to take into account feedback from non-business counterparts other than customers will require persuasion and negotiation skills.

These objectives and obligations are at times in opposition with each other and   at other times coalesce towards achieving a sustained business that is based on publicly agreed criteria of good conduct. How to arbitrage these counterforces is crucial so that businesses reorient their business policies and activities towards an overall balance of diverse business objectives while at the same time respecting codes of conduct such as the OECD guidelines, the UN Guiding Principles on Business and Human Rights and the UN Global Compact and do their best to help governments and society at large achieve the SDGs through effective partnerships as stipulated   in SDG targets 17.16 and 17.17.

Companies have to ensure a delicate balance between wealth creation and social engagement – in other words moving from 'business as usual' to 'business with ethics' and from being a corporate 'raider' to becoming a corporate 'resident'. This is the operational space that companies need to master in order to thrive in the new business context. Within this space, business diplomats as defined by Saner, Yiu, and Sondergaard (2000) can play an important strategic role in establishing a collaborative relationship with the communities where multinational operations are being conducted.

Business Diplomacy as Catalyst for SDG Partnerships

Business diplomacy management (BDM) pertains to the strategic management of interfaces between an enterprise and its external non-business counterparts (NGOs, CSOs, international organisations and national and local governments) that have an impact on its reputational capital and license to operate. BDM functions to strengthen an enterprise's ability to shape and influence its operational environment and to foster an internal narrative supportive of constructive interchange with that environment.

The example given below (Figure 1) shows how a company specialised in the manufacturing business can anticipate how the different SDG goals will impact its domestic supply and value chain. The horizontal bar depicts the linear process of the value chain and how the SDGs could have an impact on the manufacturing process (vertical alignment of the SDGs) creating interactions that could be positive or negative (depicted as +/−).

The hypothetical manufacturing company depicted in Figure 1 has identified four positive impacts and seven negative impacts from the perspective of implementing the SDGs. How to leverage the potential positive impact and minimise the negative impact will require broad based consultations inside and outside of the company in order to come up with preferably win-win or synergistic solutions.

Business diplomacy (BD) is a management function that liaises between the strategic objectives of a company with the social and environmental demands put to it by the community within which it operates. As defined by Saner et al. (2000), this management function of handling multiple stakeholders and interfaces at home and abroad should become a vital corporate competency in bringing to the attention of the corporate leaders the strategic insights regarding 'customer' preferences, societal expectations and government requirements. Business diplomats through their interactions with internal and external stakeholders could help their respective company formulate alternative value propositions that could potentially bring savings to the operations and add revenue in new market niches while at the same time put- ting their company into a positive light as being an actor contributing to the SDGs.

BD represents a new interactive space in achieving collective impact on a societal scale, beyond buying and selling of products or services. A partnership-based collective impact needs to be co-created through effective BD. Recalibrating the boundary conditions on a contingency basis could be one of the core contributions of BD. In other words, BD with its potential of influencing the investment decisions and allocation of resources could propel companies to play a catalyst role in rehabilitating the global system vulnerability, reducing risks and in regaining sustainability.

Business diplomats will need to help their multinational company navigate between defending their legitimate interests while also helping them to address the legitimate concerns of non-business stakeholders. How to facilitate such a new model of conducting international business that is based on a form of social con- tract is crucial for social sustainability and eventually for the bottom line but this needs to be designed and implemented without jeopardising the multinational's business fundamentals or disregarding the equally legitimate expectation for a return on investment. This balancing act requires a new set of competences that are normally not part of the toolbox of a traditional business executive (Saner et al., 2000).

The functional dimensions of BD are not totally new. Many exist already in different company departments. Therefore, BD management is about reconfiguration of business boundaries so that the company can apply an SDG lens to public and private sector business issues and create space for new business dynamics and partner- ships for sustainable production, growth and reputational gains.
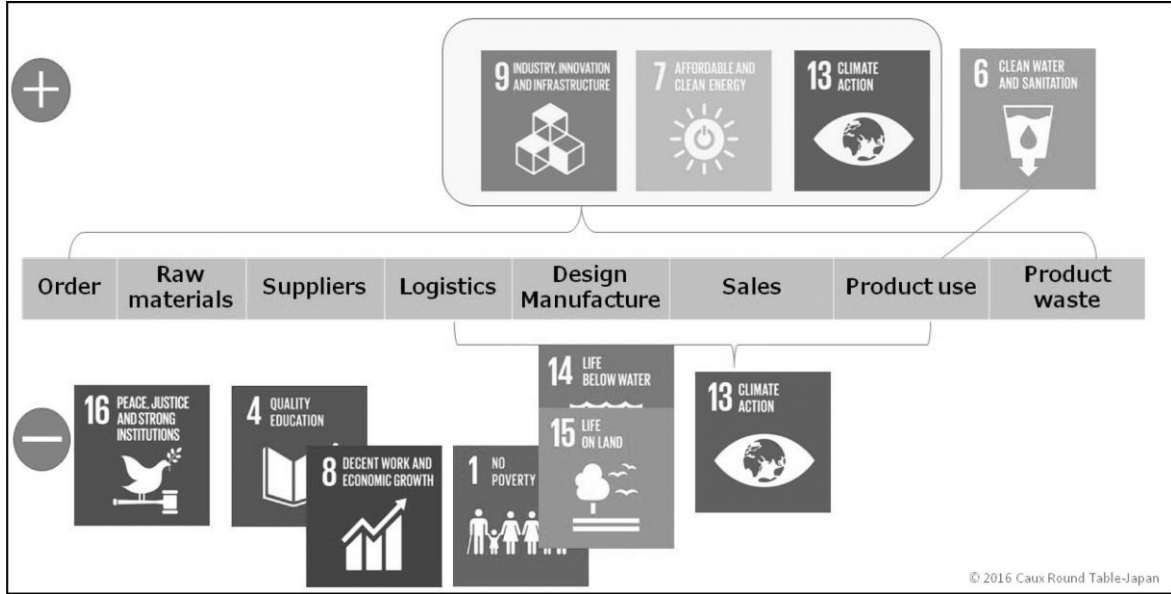
Figure 1:   Impact Assessment of the 17 SDG Goals on the Core Business Processes within the Company. *Source*: Human Rights Due Diligence Workshop, Manufacturing Infrastructure, 2016, Caux Round Table, Tokyo

Business Case in Adopting 2030 Agenda for Sustainable Development and for Strengthening Business Diplomacy Capability

There is a business case to be made that business can do well by doing good. Companies can differentiate their brands and reputations as well as their products and services if they take responsibility for the well-being of the societies and environments in which they operate. Evidence exists that these companies are practicing corporate social responsibility in a manner that generates significant returns to their business.

According to the estimates made by the Earth Institute and others, the needed resources to finance the implementation of SDGs range from 1 trillion USD per year to 4 trillion USD. Either figure is enormous for any one country to bear, not to mention many of the resource-constrained countries and war-torn societies. United Nations Conference on Trade and Development, when devising an action plan calculated the total shortfall for implementing the SDGs in the developing countries will amount to 2.5 trillion USD every year (2014). This shortfall will have to come from mobilisation of local resources and private financing such as investors, philanthropic organisations or private companies. Infrastructure development will represent 1 trillion USD per year in the developing countries along. This is the business case why companies need to be engaged with the SDG implementation NOW. This is also the business case why companies must transform its CSR operation and government relation department into BDM and staffed it with competent business diplomats.

The business opportunities made available by the SDGs are not limited to the developed countries. Instead, it is worldwide. A key feature of the SDGs is their universality. In other words, SDGs are not only goals for the developing AND developed countries alike. Similar transition to a more sustainable economy should take place in all countries. Companies will be required to contribute to the attainment of the SDGs, thus leading to investment opportunities and engagement obligations at home and abroad.

These business opportunities, especially for the developing countries, has been clearly agreed upon by the UN member countries during the third international conference on Financing for Development in July 2015. The conference was organised to address the issue of financing and resource mobilisation. A review of its outcome document called Addis Ababa Action Agenda (AAAA) clarifies further the role of the private sector in the context of implementing the SDGs and the broadened concept of corporate social responsibility or "responsible" business conduct.

Financial Framework for the SDG Partnerships: Addis Ababa Action Agenda on Financing for Development

Addis Ababa Action Agenda (AAAA) was adopted at the Third International Conference on Financing for Development (Addis Ababa, Ethiopia, 13 16 July 2015) and endorsed by the General Assembly in its resolution 69/313 of 27 July 2015.

Table 1: Results of the Text Analysis of Addis Ababa Action Agenda (2015).

Key Word	Frequency in Word Count	Percentage in Use against Total Number of 134 Clauses (%)
Private Sector	18	13
Business	12	9
Partnership	28	21

Source: Saner and Yiu own research.

AAAA is a global framework for financing the 2030 development agenda through creating an 'enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity' (AAAA, 2015, p. 1). A text analysis by authors Saner and Yiu revealed high expectations regarding the private sector engagement through various forms of partnerships at global, regional, national and organisational levels (see Table 1). Detailed text analysis of the Addis Ababa Action Agenda (2015) is presented in Appendix 2 which shows the weight of the private sector. A total of 22% of the clauses of the AAAA are devoted to the role of private sector, and 21% concern trans-sectoral partnerships.

In other words, companies are expected to engage in partnerships by transferring technology, management and organisational know-how and by contributing to innovation capacity building, mobilising financial resources, sharing intellectual properties and implementing social agenda such as gender equality and labour standards for the global well-being and sustainability. Governments, according to AAAA, are expected to incentivise private sector participation and commitment, establish collaborative mechanisms and policy instruments and foster enabling environment for entrepreneurial endeavours and the transformation of production patterns of the companies.

Coupled with the SDGs agenda and the monitoring and review mechanisms, it will be difficult for companies to continue with a 'business as usual' strategy expecting that they would be able to outlive the SDGs. The AAAA has reframed the space and conditions how business can contribute to the implementation of the SDGs and the AAAA. Therefore, equipping companies with the appropriate BD function will accelerate the responsiveness of the companies to the enlarged business demands and allow the companies to climb up the learning curve in order to benefit from the new business opportunities presented by the SDGs from now to 2030 and beyond. As infrastructure development will primarily take the form of private public partnerships, the follow-on business opportunities could potentially be locked up for 20 or 30 years from contracting to building and operating before transform to the public hands. Business diplomats will be mandated with the responsibilities to spot good business opportunities through stakeholder consultations and ongoing dialogue.

Since the launch of United Nations Global Compact in 2000 by then UN Secretary-General Kofi Annan at the World Economic Forum at Davos Switzerland, this corporate sustainability initiative has evolved into the world's largest CSR project with visibility and high participation. Member companies have been asked to take   a

comprehensive approach to sustainability and to put into practice five essential elements of corporate sustainability which are:

1. operate responsibly in alignment with universal principles;
2. take strategic actions that support the society around them;
3. commit at the highest level;
4. report annually on their efforts and
5. engage locally where they have a presence.

17 years later, CSR has matured into a growth platform, according to a study conducted by Pohle and Hittner (2008) of the IBM Institute for Business Value. This evolution followed a five-step value trajectory with the advancer companies benefiting from CSR programme to create access to new markets, new partnerships or product/service innovations and revenue generation (see Figure 2).

In a CSR survey carried out by the IBM, it was found that 68% of the 250 business leaders worldwide use CSR as an opportunity and a platform for growth (Pohle & Hittner, 2008). In other words, businesses have adopted a much more strategic view on CSR than traditional philanthropy. This change of mindset made it easy to embrace the SDGs. A gap exists between intention and actuality. With varying degree of programme maturity and corporate commitment, companies can be found either paying lip service to the CSR commitment or in earnest pursuing business benefits and achieving sustainability.

In the same study of these 250 global companies by IIBS, only 19% of the respondents reported that they created new revenue streams through CSR, while
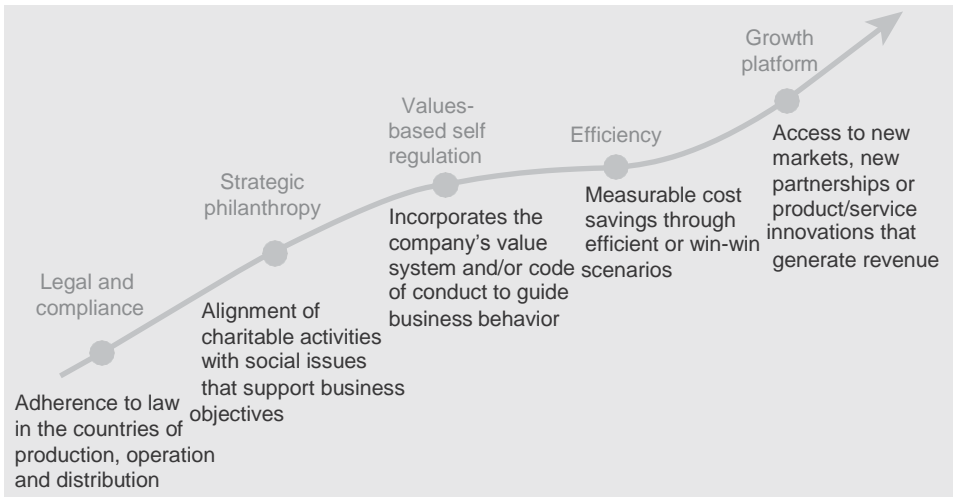

Figure 2: Companies Move from Left to Right on the Value Cure and Realise Greater Returns as CSR Becomes More Integrated into Core Business Strategy.

49% reported to have achieved new revenue streams while the remaining 32% had no activity linking CSR with revenue generation (Pohle & Hittner, 2008, p. 1).

For the sustained engagement of corporations in sustainable practices, a business case must be made. Short of this return on principled business behaviour, the world will see plenty of CSR initiatives without ever reaching the synchronicity and scale needed to avert a major catastrophe, or in the words of Saner and Yiu (2016), eco-suicide. With the AAAA, business opportunities have been outlined while the SDGs and their targets have articulated the demand side of the equation. The SDG generated market is emerging and BD will contribute to companies' beneficial involvement in their implementation.

Business Diplomacy as the Missing Link of CSR

CSR is limited in its conception. A vertical programme which is too slow in trans-forming all aspects of corporate life that could exhume SDG philosophy and objectives, yet too easily marginalisable when corporate value propositions shift.

To move up on the value curve as depicted in Figure 2 needs practice, strategic foresight and engagement of the highest level within the corporate hierarchy. To push sustainability deep into the cooperate identity and its decision-making DNA, companies need to set up dynamic and comprehensive feedback loops to foster organisation learning and innovations so that business alignment with SDG goals could be realised and payoffs obtained. This is where BD becomes the vital function in tandem with the CSR that allows companies to fulfil their "obligations" in the con-text of SDGs. It is also where BD differentiates itself from the CSR, that is a value proposition, a vision. BD is an ability to act, to facilitate and to follow-through.

One of the immediate tasks of the business diplomat is to translate the SDGs into constraints and opportunities and to trigger an organisational process of re- examining its mission, business model, and operating principles in this new operational environment. Most critically, business diplomats need to play a proactive role in support of the company in managing the strategic tensions or polarities effectively so that long-term viability and growth will not give way to short-term opportunism; so that synergy and shared values will not give way to particular interests and innovation or entrepreneurship will not give way to risk aversion and business as usual type of thinking.

As in the example given in the hypothetical case of a Japanese manufacturing company (see Figure 1), there is a price to be taken into consideration to become SDG compatible since internal resistance to change is inevitable in any change effort and readiness and capacity to change will be essential to the success. These will imply that a business diplomat must mobilise attitudinal or motivational energy inside of the company and in the affected community to prepare for the change; and physical, financial and/or organisational capacity to implement the change. In determining an organisation's readiness for change, David Gleicher (in Beckhard & Harris, 1977) developed

a change equation that helps in developing a strategy for implementing the change project which would be applicable to the BD in the context of SDGs:

$$C = \eth ABD\flat > X$$

Where by
C = change,
A = the status quo dissatisfaction,
B = a desired clear state,
D = is practical steps to the desired state,
X = the cost of the change

Without the stakeholder engagement (both internal and external), it will not be possible to find the novel solutions necessary to bring about the transformation in the form of shared vision and practical first steps. Superficial compliance and empty words can only slow down the SDG attainment and will not slow down the process towards eco-suicide.

All SDG goals and targets have a direct bearing on how business needs to conduct itself, especially when it comes to sustainable production patterns addressed by of SDG 12. BD will also be most suited in implementation of SDG Goal 17 regarding the 'strengthening of the means of implementation and revitalising the global partner- ship for sustainable development' by creating collaborative relationships with multiple stakeholders across sector boundaries. Some of these stakeholder groups might have antagonistic relationships and conflictual history with the company. BD should then be applied to manage multi-stakeholder interactions and dynamics specifically when SDG targets relate to partnerships for business opportunities.

Progress in achieving these two partnerships related targets, i.e., SDG targets 17.16 & 17.17, will be measured by a set of related indicators which are to be finalised by the Statistical Commission of the Economic and Social council of the United Nations. Influencing the selection of these indicators could affect the longer-term financial interest of companies. Here lies another task of the BD in shaping and influencing international standards and performance matrices proactively to leverage the strengths of the company.

BD will be required also to deal with the multiple forms of partnerships that need to be constructed to support the general SDG orientations and specific targets. Business diplomats will be the boundary spanners to assist the companies in managing the increasingly porous boundary of their operations and public accountability where citizen watchdogs and journalism may shed unwanted visibility on corporate conducts and unintended consequences.

Business Diplomacy: An Organisational and Managerial Response

To be sustainable, businesses have already embraced a relatively new objective: optimising their operations to improve environmental and social outcomes in a

manner that increases overall performance. As a result, executives face an entirely new set of complex decisions and must manage an intricate new set of trade-offs based on accurate assessment of the customer sentiments and SDG concerns.

This is where BDM comes into play to complement the efforts already made with the companies through their CSR programmes, as for instance through voluntary involvement in different communities by using corporate philanthropy, com- munity services and volunteering programmes. By transforming corporate charity into development partnerships with a focus on community development, the place and its resident stakeholders could enjoy a better opportunity to earn a sustainable living and to achieve better well-being. Outstanding companies in environmental and social responsibility are at collecting relevant and timely information from across their ecosystems, including their customers and distractors through effective BD. BDM needs to specialise in developing new sources of information and new levels of insights for meeting strategic sustainability objectives.

Information management is not one-directional, rather a two-way information flow and exchange. Existing information and communication technology and affordability have made it easier for some NGOs to perform a 'watchdog' function and to advocate social and environmental causes at scale without the hindrance of distance, time, language and political system. Proliferation of many of these watch-dog functions is evident on the worldwide web. As customer perception of a company influences their purchasing behaviour more and more, it is equally important for the business diplomats to engage in regular dialogue with various consumer groups and opinion making stakeholder groups to ensure that public perception reflects favourably of good corporate conduct. Advertisement campaign, Facebook page, Twitter do not foster true engagement. BD engages and operates on the inter- faces between different groups and issues through a blended strategy that lean strongly on face-to-face interchanges and grass-roots presence.

Business diplomats need to be embedded in specific business ecosystems in order to develop the optimal level of social capital to connect, distil and to derive the strategic insights that could feed into the corporate strategic planning and decision making.

Stakeholder partners, as stipulated in the AAAA agenda, include civil society and other critical players, including investors, educators, media, consumers and pol- icy makers to create an enabling condition for value innovation and shared values. Stakeholders usually represent the interests and concerns of the local system where business operates. For instance, NGOs at national and international level have contributed to the development of the SDGs and the international development discourse and negotiations (Saner & Yiu, 2015). Effective management of these non-business relationships has a direct bearing on the reputational capital of the company and business opportunity to innovate. Such omissions would eventually have negative business outcomes.

In this still relatively uncharted water, it is important to review the BD competencies identified by Saner et al. (2000) in the context of SDG implementation (see Appendix 3). BD is relevant for two organisational levels, i.e., organisational capacities and related human capital. The competence profile identified by Saner

et al. (2000) consists of 21 competence areas covering knowledge related to the international politics and relations (8 items), country or regional specific knowledge (2 items) and BD-specific capability and skills (11 items).

In the context of SDG implementation and partnerships, a competence profile needs to be enforced with SDG-specific knowledge and skill sets in addition to the organisational competence and institutional capabilities. The following competencies need to be mastered by a company namely (Table 2):

At the organisation level, the following BDM-related corporate competences need to be developed in order to support companies to benefit from the business opportunities presented by the SDGs and related investment across all sectors.

Table 2: Additional Competence Requirements of a Business Diplomat.

Competence Domain	Specifications
Knowledge	• SDG literacy
	• Knowledge of cost-benefits analysis and trade-offs between economic benefits and social and environmental objectives
	• International standards and guidelines regarding responsible business conduct (OECD, UN OHCHR, ISO)
	• Due Diligence Guidance for Meaningful Stakeholder Engagement
Value orientation	• Socioeconomic mindset and perspective
	• Ecological mindedness
	• Inclusiveness and participatory orientation and leadership quality
Capabilities & skills	• Capacity in developing cross-sector partnerships and identifying common grounds
	• Capacity in co-creating shared values with diverse stakeholders and aligned to the business objectives
	• Leadership capacities in forming collaborative alliance with other private sector actors for the common good
	• Transformative leadership within the corporate environment when working with internal stakeholders and line management without official leadership position
	• Analytic skills on policy coherence within the company
	• Appreciative inquiry and rapport building

Source: Authors' articulation.

These investments need to be made in the areas from water purification to distribution to conservation, from hygiene and sanitation to waste treatment facilities, from road construction to transportation services, from agricultural development to food security and alternative land management technology. While providing the basic infrastructure to underdeveloped regions, the developed regions need to refurbish the densely populated urban areas in order to achieve sustainability. New services will be created in order to redesign the world's physical and social infrastructure and to find ways to curb excessive consumption, waste of limited resources and reduce pollution of the land, ocean and air. To support the relationship building for business development and the common good, the following institutional capabilities need to be developed:

1. Environmental scanning and decoding;
2. Big Data and Stakeholder Analytics incorporating the larger political-economic environmental analysis, reputation analysis and stakeholder mapping;
3. Early Warning and Response System;
4. Capacity Building and Organisational Learning Infrastructure.

Recommendations in Putting Business Diplomacy into Practice

While many companies continue to conduct BD on an ad hoc manner and consider business intelligence gathering and analysis as the same as BD, this chapter argues that BD needs to be seen as a separate function that should be part of the strategic planning function and requires execution capacities in identifying and implementing win-win solutions to solve a business dilemma or conflicts within specific context. Hence, BD needs to be integrated into the corporate structure with clear functionalities.

The following actions are recommended:

1. Integrating BD into corporate strategic planning and regular business operations through process design;
2. Integrating BD into CSR project planning and implementation through joint decision-making with interested and affected parties;
3. Practising stakeholder engagement through ongoing consultation and follow-through;
4. Developing a BD strategy which prioritises engagement with most severely affected rather than most influential stakeholders;
5. Developing a BD strategy which emphasises dialogue with the most SDG non-compliant operations within the company;
6. Initiate an SDG awareness raising campaign for potential blue oceans within and without;
7. Raise SDG literacy where the departments and employees are most insulate from the external environment but with high likelihood to insist on business as usual.

Conclusion

International businesses are expected to play a catalyst role in the communities where their business activities reside by bringing about economic growth, social development and conservation of the environment. It is no longer acceptable for companies to adhere to the reactive stance of 'Do-No-Harm' in managing their business impact; but instead they should actively pursue a proactive path that will add value to the social fairness and environmental stewardship. Thus, global companies must remain competitive in the business they are in and at the same time they should show ambidexterity in managing multiple stakeholder expectations at home and abroad including non-business partners.

The SDG environment is putting ever greater demands on the global companies to act and live the reality of being a responsible corporate citizen in various business ecosystems that they operate in. To a certain extent, effective management of stake-holder relationships, also known as BD, has become part of the competitive advantage of a global company. This capability in translating non-business demands into opportunities is the core of BD of the 21st century.

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Appendix 1: Sustainable Development Goals

GOAL 1.	End poverty in all its forms everywhere
GOAL 2.	End hunger, achieve food security and improved nutrition and promote sustainable agriculture
GOAL 3.	Ensure healthy lives and promote well-being for all at all ages
GOAL 4.	Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
GOAL 5.	Achieve gender equality and empower all women and girls
GOAL 6.	Ensure availability and sustainable management of water and sanitation for all
GOAL 7.	Ensure access to affordable, reliable, sustainable and modern energy for all
GOAL 8.	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
GOAL 9.	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation
GOAL 10.	Reduce inequality within and among countries
GOAL 11.	Make cities and human settlements inclusive, safe, resilient and sustainable
GOAL 12.	Ensure sustainable consumption and production patterns
GOAL 13.	Take urgent action to combat climate change and its impacts
GOAL 14.	Conserve and sustainably use the oceans, seas and marine resources for sustainable development
GOAL 15.	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification and halt and reverse land degradation and halt biodiversity loss
GOAL 16.	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels
GOAL 17.	Strengthen the means of implementation and revitalise the global partnership for sustainable development.

Appendix 2: Detailed Mapping and Text Analysis on Addis Ababa Action Agenda (2015)

Key Word Search	Frequency	Original Text
Private Sector	18 out of 134 para. (13%)	Para. 5, 'unlocking the transformative potential of people and the private sector, and incentivizing changes in financing as well as consumption and production patterns to support sustainable development…' (p. 3)
		Para. 10, 'Multi-stakeholder partnerships and the resources, knowledge and ingenuity of the private sector, civil society, the scientific community, academia, philanthropy and foundations, parliaments, local authorities, volunteers and other stakeholders will be important to mobilize and share knowledge, expertise, technology and financial resources, complement the efforts of Governments, and support the achievement of the sustainable development goals…' (p. 5)
		Para. 14, '… to improve alignment and coordination among established and new infrastructure initiatives, multilateral and national development banks, United Nations agencies, and national institutions, development partners and the private sector'. (p. 8)
		Para. 33, '… during financial crises when private sector entities become highly risk-averse'. (p. 15)
		Para. 36, '… strengthen regulatory frameworks to better align private sector incentives with public goals, including incentivizing the private sector to adopt sustainable practices, and foster long-term quality investment'. (p. 17)
		Para. 37, 'promote and create enabling domestic and international conditions for inclusive and sustainable private sector investment, with transparent and stable rules and standards and free and fair competition,

Appendix 2. Continued.

Key Word Search	Frequency	Original Text
		conducive to achieving national development policies'. (p. 18)
		Para. 41, '… encourage the private sector to contribute to advancing gender equality through striving to ensure women's full and productive employment and decent work, equal pay for equal work or work of equal value, and equal opportunities, as well as protecting them against discrimination and abuse in the workplace'. (p. 20)
		Para. 47, '… with private sector incentive structures that are not necessarily appropriate for investing in many long-term projects, and risk perceptions of investors'. (p. 24)
		Para. 48, '… development finance institutions and tools and mechanisms such as public-private partnerships, blended finance, which combines concessional public finance with non-concessional private finance and expertise from the public and private sector, …' (p. 24)
		Para. 48 (continued), '… Blended finance instruments including public-private partnerships serve to lower investment-specific risks and incentivize additional private sector finance across key development sectors…' (p. 24)
		Para. 54, 'It can also be used to unlock additional finance through blended or pooled financing and risk mitigation, notably for infrastructure and other investments that support private sector development'. (p. 27)
		Para. 99, 'there is scope to improve the arrangements for coordination between public and private sectors and between debtors and creditors, to minimize both creditor and debtor moral hazards and to facilitate fair burden-sharing and an orderly, timely and efficient restructuring that respects the principles of shared responsibility'. (p. 45)

Appendix 2. Continued.

Key Word Search	Frequency	Original Text
		Para. 117, 'foster linkages between multinational companies and the domestic private sector to facilitate technology development and transfer…' (p. 52)
		Para. 123a, 'multistakeholder collaboration between Member States, civil society, the private sector, the scientific community, United Nations entities and other stakeholders…' (p. 55)
		Para. 123b, '… 10 representatives from civil society, the private sector and the scientific community to prepare the meetings of the multi-stakeholder forum on science, technology and innovation for the sustainable development goals, …' (p. 55)
		Para. 125, '… data and analysis from civil society, academia and the private sector'. (p. 58)
		Para. 130, '… ensure the participation of relevant ministries … and other relevant institutions, civil society, academia and the private sector'. (p. 60)
Business	12 out of 134 para. (9%)	Para. 12, 'To end poverty in all its forms everywhere and finish the unfinished business of the Millennium Development Goals, we commit to a new social compact'. (p. 6)
		Para. 17, 'Governments, businesses and households will all need to change behaviours, with a view to ensuring sustainable consumption and production patterns'. (p. 9)
		Section B. 'Domestic and international private business and finance' (p. 17)
		Para. 35, 'Private business activity, investment and innovation are major drivers of productivity, inclusive economic growth and job creation … call on all businesses to apply their creativity and innovation to solving sustainable development challenges'. (p. 17)

Appendix 2. Continued.

Key Word Search	Frequency	Original Text
		Para. 36, '… encourage entrepreneurship and a vibrant domestic business sector'. (p. 17)
		Para. 37, '… foster a dynamic and well-functioning business sector, while protecting labour rights and environmental and health standards in accordance with relevant international standards and agreements, such as the Guiding Principles on Business and Human Rights and the labour standards of ILO, the Convention on the Rights of the Child and key multilateral environmental agreements, for parties to those agreements'. … 'welcome the growing number of businesses that embrace a core business model that takes account of the environmental, social and governance impacts of their activities, and urge all others to do so'. … 'encourage businesses to adopt principles for responsible business and investing, and we support the work of the Global Compact in this regard'.
		… 'work towards harmonizing the various initiatives on sustainable business and financing, identifying gaps, including in relation to gender equality, and strengthening the mechanisms and incentives for compliance'. (p. 18)
		Para. 41, '… encourage increased investments in female-owned companies or businesses'. (p. 20)
		Para. 107, '… encourage development finance institutions to align their business practices with the post-2015 development agenda'. (p. 49)
		Para. 116, '… voluntary patent pooling and other business models, which can enhance access to technology and foster innovation'. (p. 52)

Appendix 2. Continued.

Key Word Search	Frequency	Original Text
		Para. 117, '… promote entrepreneurship, including through supporting business incubators'. (p. 52)
Partnership	28 out of 134 para. (21%)	Para. 1, '… affirm our strong political commitment to address the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity'. (p. 1)
		Para. 8, '… New Partnership for Africa's Development (NEPAD)' (p. 4)
		Para. 9, '… to reinvigorating the global partnership for sustainable development'. (p. 5)
		Para. 10, '… enhanced and revitalized global partnership for sustainable development, led by Governments, will be a vehicle for strengthening international cooperation for implementation of the post-2015 development agenda'. (p. 5)
		'Multi-stakeholder partnerships and the resources, knowledge and ingenuity of the private sector, civil society, the scientific community, academia, philanthropy and foundations, parliaments, local authorities, volunteers and other stakeholders …' (p. 5)
		'This global partnership should reflect the fact that the post-2015 development agenda, including the sustainable development goals, is global in nature and universally applicable…' (p. 5)
		Para. 19, 'The post-2015 development agenda, including the sustainable development goals, can be met within the framework of a revitalized global partnership for sustainable development, supported by the concrete policies and actions as outlined in the present Action Agenda'. (p. 10)

Appendix 2. Continued.

Key Word Search	Frequency	Original Text
		Para. 30, '… the work of the Open Government Partnership, which promotes the transparency, accountability and responsiveness of Governments to their citizens, with the goal of improving the quality of governance and government services'. (p. 15)
		Para. 42, '… to leverage additional funds through multi-stakeholder partnerships'. (p. 21)
		Para. 46, '… use of innovative mechanisms and partnerships to encourage greater international private financial participation in these economies'. (p. 23)
		Para. 48, '… both public and private investment have key roles to play in infrastructure financing, including through development banks, development finance institutions and tools and mechanisms such as public-private partnerships'. (p. 24)
		'… Blended finance instruments including public-private partnerships serve to lower investment-specific risks and incentivize additional private sector finance…' (p. 24)
		Para. 48, '… Projects involving blended finance, including public-private partnerships, should share risks and reward fairly, include clear accountability mechanisms and meet social and environmental standards'. (p. 25)
		Para. 48, '… build capacity to enter into public-private partnerships, including with regard to planning, contract negotiation, management, accounting and budgeting for contingent liabilities'. (p. 25)
		Para. 48, '… commit to holding inclusive, open and transparent discussion when developing and adopting guidelines and documentation for the use of public-private partnerships…' (p. 25)

Appendix 2. Continued.

Key Word Search	Frequency	Original Text
		Para. 49, '… with a combined potential to raise over $100 billion in annual investments by 2020, through market-based initiatives, partnerships and leveraging development banks'. (p. 25)
		Para. 58, '… strengthen partnerships for development…' (p. 28)
		Para. 58, '… Global Partnership for Effective Development Cooperation, in a complementary manner'. (p. 29)
		Para. 76, '… genuine, effective and durable multi-stakeholder partnerships can play an important role in advancing sustainable development'. (p. 35)
		'…promote such partnerships to support country-driven priorities and strategies, …' (p. 35)
		'… recognize that partnerships are effective instruments for mobilizing human and financial resources, expertise, technology and knowledge'. (p. 36)
		Para. 77, '… Multi-stakeholder partnerships, such as the Global Alliance for Vaccines and Immunization (Gavi) and the Global Fund to Fight AIDS, Tuberculosis and Malaria, have also achieved results in the field of health'. (p. 36)
		Para. 78, '… scaling-up and strengthening initiatives, such as the Global Partnership for Education'. (p. 37)
		Para. 115, '… enhanced international support and establishment of multistakeholder partnerships for implementing effective and targeted capacity-building in developing countries, …' (p. 51)
		Para. 117, '… encourage knowledge-sharing and the promotion of cooperation and partnerships between stakeholders, including

Appendix 2. Continued.

Key Word Search	Frequency	Original Text
		between Governments, firms, academia and civil society…' (p. 52)
		Para. 120, '… through public-private and multistakeholder partnerships, and on the basis of common interest and mutual benefit …' (p. 53)
		Para. 123, '… networks between relevant stakeholders and multi-stakeholder partnerships in order to identify and examine technology needs and gaps …' (p. 57)
		Para. 125, '… to strengthen domestic capacity, transparency and accountability in the global partnership'. (p. 58)
		Para. 120, '….
		Para. 120, '….

Appendix 3: Traditional Education Versus Key Competencies of Business Diplomacy Management

Business School Education	Education at Diplomatic Academies	Competencies of Business Diplomacy Management
General management	History of diplomacy	• Knowledge of diplomatic instruments
		• Capacities in influencing the diplomatic process
Strategic management	Treaty making	• Knowledge of key international business-related legal standards
		• Capacities in influencing standard setting at key international organisations (WTO, ILO, UNEP, WIPO, OECD)
Managerial accounting	International law	• Knowledge of the functioning of international law and arbitration
		• Knowledge of the impact of 'Corporate Reporting to Stakeholders'

Appendix 3. Continued.

Business School Education	Education at Diplomatic Academies	Competencies of Business Diplomacy Management
Financial management	International economics	• Knowledge of the history and logic of non-U.S. economic theories and practices
		• Knowledge of the influence of international financial institutions (IMF, WB, Paris Club, London Club, U.S. FRB, BIS)
Human resource management	International and supranational organisations	• Knowledge of the structure and decision-making process of supranational organisations (UN, EU, NAFTA, ASEAN)
		• Capacity to influence these supranational organisations through direct or indirect means
Marketing	Regional and country studies	• Knowledge of the interplay between economics, politics and culture by region or country
		• Capacity to promote a proactive perspective in the region regarding business diplomacy
International management	Theory of international relations and contemporary history	• Knowledge of the decision-making process of key countries (domestic and foreign)
		• Capacity in conducting political risk analysis regarding key stakeholders of the investment project
Operations management	Managing delegations, embassies and consulates	• Knowledge of the mechanisms of international crisis management and corresponding role of diplomacy and government
		• Capacity to intervene on behalf of the company
Information management	Interaction with media	• Mastering public speaking and media (keynote speeches, TV interviews, press conferences)
		• Managing a business diplomacy information system that supports

Appendix 3. Continued.

Business School Education	Education at Diplomatic Academies	Competencies of Business Diplomacy Management
		strategic planning regarding stakeholder management
Organisational behaviour and change	Negotiation skills (bilateral, multilateral, plurilateral)	• Managing and influencing international negotiations (bilateral, multilateral, plurilateral)
Quantitative methods	Diplomatic behaviour and protocol contemporary history	• Mastering diplomatic practices and protocol
		• Mastering analytic tools, e.g., stakeholder analysis, scorecard on stakeholder satisfaction, scenario planning

Source: Saner, Sondergaard & Yiu (2000), AoME.