

Mission to UK on quality governance

The first APO multi-country study mission to the United Kingdom (UK) took place 8–12 November 2004 on a subject of growing concern to policymakers and companies in Asia and Europe, if not the world: corporate governance and corporate social responsibility (CSR).

Participants from nine Asian countries (Bangladesh, India, Japan, Malaysia, Nepal, Philippines, Singapore, Thailand, and Vietnam), representing both the public and private sectors (including stock exchanges, banks, manufacturing companies, and NPOs), attended to learn from best practices, share experiences, and present their conclusions and recommendations for action to a high-level panel at the Department of Trade and Industry (DTI) of the UK Government.



Participants in the mission

The weeklong program was developed by Henley Management College (HMC) in association with two other leading organizations that were uniquely placed to assist in cross-cultural business understanding: the Japan Business Council in Europe (JBCE) and Commonwealth Business Council (CBC). Meetings were facilitated by experts from the HMC, Ethical Trading Initiative, CBC, Railpen Investments, Foreign and Commonwealth Office, Royal Society of Arts, and English-Speaking Union. A videoconference was held with UNIDO in Vienna. The participants also met with Nirj Deva, Member of the European Parliament.

Recent corporate scandals in the USA, Europe, and Asia and high-profile cases of weak corporate transparency and accountability have shaken faith and trust in business corporations, to the extent that responsibility for management behavior must be clearly placed on the highest level of the organization, the board of directors. It is widely accepted today that a company must conduct its business as a good corporate citizen. “Quality governance,” combining corporate governance with CSR, is a key to understanding why and how a company should exist in a society. Its basic characteristics are legitimacy, transparency, accountability, and measurability.

In their recommendations for action to the panel meeting at the DTI, the participants called for, among others, more interaction between Asia and Europe on quality governance and related themes and investment in the promotion of and

education on this subject. Various suggestions were proposed on how these objectives could be achieved, including the establishment of a Corporate Governance and CSR Resource Centre by UNIDO, HMC, and others in developing countries to tap available best practices. To ensure the momentum set in motion by the study mission is sustained and to maintain a continuing dialogue for the development of future activities, it was proposed that an informal network—the Asian Productivity Network in Europe—should be established by the APO, HMC, JBCE, and CBC. This will represent the only network committed to sharing good practices in productivity between Asia and Europe. 