

Good governance: building sustainable societies



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As populations grow and mobility increases, the world continues to get smaller, our mutual interdependence increases and all institutions need to be able to mobilise the resources and goodwill of others to achieve their goals. Earning the trust of stakeholders is the key to mobilising resources towards a common vision and, therefore, the key to good governance and sustainable success is in ensuring that the principles of **C**onsistency, **R**esponsibility, **A**ccountability, **F**airness, **T**ransparency, and **E**ffectiveness are **D**eveloped (CRAFTED)

throughout the organisation and its sphere of influence (stakeholders in the value chain, members, and the citizens).

The trust that must be built externally with stakeholders must first be created internally, if trust is to be robust. Openness in public and private institutions is essential; we must be confident that

inclusion, equality of opportunity as well as capability of all members of society to determine an agreed set of social institutions that govern social interaction. Stakeholder engagement and creating equal opportunities in public and private institutions for all are cornerstones of building inclusive societies.

Earning the trust of stakeholders is the key to mobilising resources towards a common vision

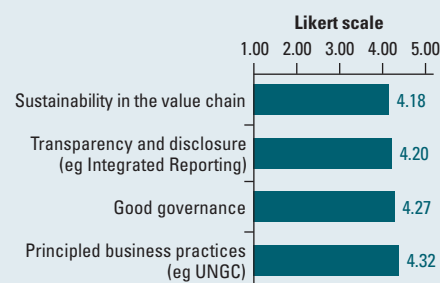
information is being openly shared and that differences of opinion are being openly discussed and resolved, while also making sure that a vision and core values truly penetrate every layer of each institution. Leaders could set the tone for successful implementation, which would encourage questioning and discussion at all levels of institutions and society.

Recent research findings show that societies thrive, in a sustainable way, when inclusion and innovation help to expand the circle of opportunity, and when strong governance standards lead to sound civic decision-making. Such an approach requires an open government, public consultations with stakeholders, impact assessments, evidence-based decision-making, rule of law, and continuous monitoring and improvement of results that are shared openly.

An **inclusive society** is a society that overrides differences of race, gender, class, generation and geography, and ensures

A **sustainable global economy** is one that combines long-term profitability with ethical behavior, social justice and environmental care. Good governance is at the heart of a global sustainable economy. Business can play a fundamental role in creating a sustainable future by embracing this challenge as an opportunity for innovation and long-term value creation.

Principles embraced by the business world



ARGE CONSULTING

- B20 Knowledge Partner for Governance and Sustainability
- National leader in strategy, quality and institutional development
- Globally recognised for its governance expertise and CSR programme
- First Turkish signatory of the UN Global Compact

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Active engagement and responsible behaviour

Most businesses understand that their sustained success depends upon the economic, social and ecological contexts in which they operate. But the stability of those contexts can no longer be taken for granted. As sustainability issues have become more global and pivotal to success, businesses are realising that they cannot go it alone and there should be a collaborative approach among businesses, governments, and civil society.

The surveys we have conducted among the business taskforce members of the

and academic institutions would help to achieve the UN Sustainable Development Goals (SDGs) and would help to improve well-being and quality of life.

An emerging framework for such reporting is the **Integrated Reporting <IR> Framework**. An integrated report is a concise communication about how an organisation's strategy, governance, performance and prospects affect its external environment and lead to the creation of value in the short, medium and long term, to best tell an organisation's value-creation story.

on the active engagement of the public, private, and non-governmental sectors, including but not limited to the increasing number of actors signing the UN Global Compact and UN Principles for Responsible Investments (UNPRI). Good governance and responsible behaviour by all actors should be established by creating a regulatory environment where transparency in the public and private sectors is the norm. Embracing reporting best practice and encouraging market-led initiatives, such as Integrated Reporting, focused on communicating value creation and sustainability performance across the economy would be the most effective way of improving transparency and building trust."

Good governance is a culture and a climate in which trust for institutions flourishes

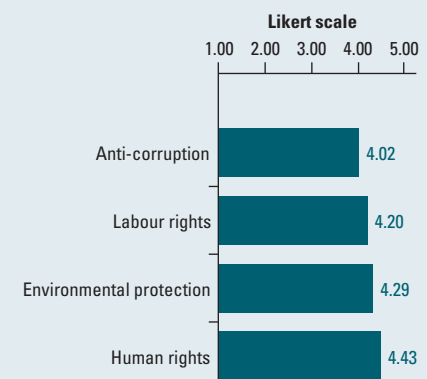
B20 and the civil society organisations for the C20 had a clear message: both the business community and civil society support **principled business practices** such as **the UN Global Compact (UNGC)**, an initiative whose mission is to create a sustainable and inclusive global economy that delivers lasting benefits to people, communities and markets.

The UNGC is a voluntary initiative that calls for publicly reporting the performance of institutions on 10 principles, covering human rights, labour, the environment and anti-corruption issues. Implementation of the UNGC by businesses, civil society

Good governance is a culture and a climate in which trust for institutions flourishes. As stated in the post-2015 development agenda for the UN Sustainable Development Goals, "Building effective, accountable, and inclusive institutions at all levels" is crucial to enabling the effective, efficient and transparent mobilisation and allocation of the world's resources.

The following recommendation has transpired from the surveys we have conducted for the B20 and C20: "Implementation of inclusive and sustainable development will depend

Civil society supports UNGC principles



ARGÜDEN GOVERNANCE ACADEMY

The non-profit Argüden Governance Academy operates under the aegis of Bogazici University Foundation to:

- raise awareness on the role of good governance for quality of life;
- identify and disseminate best practices for good governance;
- provide education programmes for the next generation of leaders; and
- promote exemplary implementation of good governance.

The Academy served as a member of the C20 Governance Working Group



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