

Leadership, Purpose and Priorities for Excellence and Innovation[^]

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A team is a group of people who come or are brought together for a particular purpose or to achieve one or more goals and/or objectives over a period of time. Teams can exist in many forms. In a business context, a team has been defined as “a group of people who are interdependent with respect to information, resources, knowledge and skills and who seek to combine their efforts to achieve a common goal” (Thompson, 2008). While each may have a particular role they need to work together to pursue a purpose and accomplish what they set out to do, but at corporate level what should the purpose, goal and objectives of a board be? How might a boardroom team’s purpose, focus, aims and priorities influence its relevance and impact? Should purpose, focus, aims and priorities, as well as their implications and resulting outcomes, be taken into account when assessing the performance of a board?

Interdependence at corporate level is evident in governance arrangements and practices that recognise the distinction between direction and management and the different but mutually dependent roles of a board and a top management or senior leadership team. This article looks mainly at a particular form of team, namely corporate boards and their role in performance relating to excellence and innovation, and the widening of perspective and team and network membership that may be required to address current challenges in a volatile, uncertain, complex and ambiguous (VUCA) operating environment (Coulson-Thomas, 2022c). It explores what ‘high performance’ might mean in relation to corporate boards, excellence and innovation, and suggests questions that directors and boards might wish to consider in relation to their own role and the corporate leadership they provide.

With a team, ideally the whole should be more than the sum of the parts. A team’s collective contribution and impact should exceed the total of the individual efforts of its members. What board members are able to do together is the source of their collective authority, power and influence (Coulson-Thomas, 2007a). It has long been recognised that teams need to cross business unit, discipline and organisational boundaries and embrace customers, suppliers and business partners, and in so doing can lead to new ways of working and organising based upon networks and/or clusters of relationships and skills that allow more flexible adaptation to changing situations and circumstances (Drew and Coulson-Thomas, 1996). Might the perspective and focus of a board need to extend beyond a single corporate entity for it to be considered ‘excellent’ and regarded as exhibiting ‘high performance’?

Board and Top Management Teams

The effectiveness and/or performance of a board can often depend upon many considerations and factors such as how it is chaired, the individual and collective qualities, skills and behaviours of directors, and boardroom dynamics rather than structural factors (Coulson-Thomas, 2007a; Aube et al, 2021). From whose perspective and in what areas should they be considered? Does the membership of a corporate leadership team and its boundaries embrace senior executives and others whose efforts may be required to achieve its purpose and priorities? Do assumptions concerning leadership teams and corporate entities need to

change? Should wider interests and different teams be brought together to collectively address shared existential threats? Can hitherto contending interests be aligned?

Directors and managers have different and distinct duties and responsibilities. In their relationships with a top management team, a board can inhibit and restrict as well as enable and empower, for example by over intense monitoring of executive activities or straying into operational areas rather than focusing upon the provision of strategic direction (Huynh et al, 2022). The distinction between direction and management and their interdependence needs to be understood if board and executive teams are to work effectively with each other within a wider corporate team (Coulson-Thomas, 2007a).

Executive development and other initiatives to increase team performance need to recognise the particular requirements of top teams, whether of senior executives or boards (Jackson et al, 2003). They may have onerous collective responsibilities that cross different business units, disciplines and national borders, and could involve difficult situations and relationships at senior level across supply and value chains and with stakeholders, and engagement with issues and crises that may also concern other organisations. They may also have significant influence, decision making authority and power to commit. Telling the truth may help team leaders to establish trust. A reputation for trustworthiness and veracity may facilitate the initiation and building of wider relationships (Lippert and Dulewicz, 2017; Grint, 2020).

High-Performance Teams

High-performance teams are sometimes sought for their own sake, independently of consequences and implications. Initiatives to build them often focus on improving performance in selected areas. This may or may not affect potential or achievement in other areas, or more generally when a remit, priorities or strategic direction is changed. Whether or not, where and when increasing the performance of a particular team might be advisable or desirable can depend upon its role, aspirations, purpose, focus, aims, priorities and activities, the context, situation and circumstances, strategic direction, goals or objectives and strategies to achieve them. Some boards create value, others destroy it. For boardroom teams, responses to events, developments and trends in the business and operating environment are especially important. In dynamic environments, team reflexivity and reflexive behaviours can help directors to adapt their strategies to changing threats and opportunities (Aube et al, 2021).

Much can also depend upon the team, other teams it needs to accommodate, collaborate or work with, the measures and indicators of performance that are used, and from whose perspective they are viewed. An ESG investor might not want higher performing teams in the sense of extending activities and enlarging operations that are not sustainable and/or which create negative externalities such as environmental degradation. ESG and other strategies of responsible boards should reflect such concerns (Coulson-Thomas, 2022b). Timescales, whether short or longer-term, and whose interests are taken into account are also important. Should one re-focus, re-purpose or redefine 'performance' and criteria used to assess it, rather than improve the performance of teams whose purpose is to increase activities and

outputs that damage the environment, reduce biodiversity, use resources required by future generations, or contribute to global warming? Less might be more from another perspective.

Advice on building high-performance teams may derive from sports and other arenas where the context and success requirements may be relatively fixed compared with the current VUCA business environment (Eldridge, 2014). An initial dip in performance sometimes occurs after an initiative to build a high-performance work team (Devaraj and Jiang, 2019). Yet windows of opportunity to address some existential threats are narrowing and a current situation may be a transient stage on a transition or transformation journey. At a time of uncertainty and resulting insecurity, factors such as trust, safety, flexibility and making progress before tipping points are reached may become more important considerations when discussing the building of high performance cultures and teams (Lapshun and Fusch, 2021).

Corporate Board Leadership

Exercising leadership and being in the van has rarely been easy. At tipping points when there are critical choices to be made, while uncertainties abound and people, organisations, communities and societies face existential threats, they can be especially difficult. For many, responding and catching up rather than giving a lead and staying ahead of the curve may be the preoccupation. At a time when aspirations, expectations and priorities are changing as awareness grows of the likely consequences of current activities and lifestyles, the question of being in front of what, and from whose perspective, might be the issue. Awareness, sensitivity and listening leadership are required (Coulson-Thomas, 2014). Should boards once again review and rethink the relevance and role of excellence and innovation in relation to contemporary challenges and related opportunities (Coulson-Thomas, 2020c & 2021b)?

For many boards, providing strategic direction and running a business have become more complex and demanding in recent years, as new considerations such as environmental and social consequences, desirability, resource limitations, priorities and sustainability have increasingly to be addressed. Contemporary directors require a critical and sceptical mindset if they are to question assumptions and challenge beliefs that may no longer be relevant or appropriate. Critical thinking can be valuable for board members, including when formulating an argument and understanding relevance and the limits of generalization (Deane and Borg, 2011; Tittle, 2011; Chatfield, 2017; Coulson-Thomas, 2022d). How might it relate to excellence and innovation? Are they now less about differentiation and competition and should they be more concerned with our collective survival and collaboration?

Some boards find remaining in the game can be as challenging as staying 'ahead of the curve'. Increasingly, the priority games in town relate to various aspects of a multifaceted sustainability challenge. Our futures and those of our companies are not assured.

Unsustainable growth, lifestyles and business activities are damaging the environment, reducing biodiversity, depleting natural capital and contributing to global warming and climate change (United Nations, 2015; UNEP, 2019; Dasgupta, 2021; IPCC, 2021 & 2022). The negative consequences of current lifestyles and business activities and operations are

such that the future of humankind is not assured. Do excellence and innovation priorities need to change if collective responses to shared existential threats are to be effective?

Exercising Board Leadership

Unless we raise our game, 'business as usual' looks set to trigger tipping points, after which an existential threat such as global warming becomes unstoppable (IPCC, 2022). Given the speed and scale of adaptation and change required, do more boards now need to focus upon innovation for environmental sustainability and to cope with climate change (Coulson-Thomas, 2019b)? At times of crisis, disruption, uncertainty and threat, the provision of effective board leadership, enterprise governance and strategic direction requires an ability to monitor and sustain multiple relationships, achieve a balance between contending forces and ensure a focus upon shared purpose and agreed objectives and priorities, whether in responses or being proactive. Adversity can sometimes speed up the process of innovation (Liu et al, 2022). This may be needed on adaptation, mitigation, transition and transformation journeys when some windows of opportunity may close as tipping points are reached. Within and across boards, is there a desire and the bandwidth and commitment to re-purpose strategic direction and do more things differently and with greater urgency?

Executives and their teams may need time and space to think, explore and investigate alternative possibilities. In crisis and high pressure situations when people have too much on their plates, overall levels of innovation and the share of exploratory innovation may both fall (Zhu et al, 2022). When facing multiple challenges and there may not be time to pick potential winners and pursue them sequentially it may be necessary to democratise the process of innovation (Hippel, 2005). As situations and circumstances change, directors should remain alert, open and vigilant. They should be ever ready to question and challenge. Have innovation capacity and potential been recently reviewed? Is the enterprise governance and board leadership being provided still appropriate? Are the purpose and vision that have been articulated still relevant? Do they engage and motivate stakeholders and retain their support? How responsible are they? Are growth aspirations and priorities sustainable?

During periods of crisis, uncertainty, economic slowdown or recession, adventurous companies that question, explore and innovate can secure competitive and leader advantage, while more cautious enterprises hold fire or cut back (Coulson-Thomas, 2020a & b). Little should be taken for granted. Acceptance and legitimacy can depend upon priorities and timing and the extent to which there is a consensus. Should a board be connecting with stakeholders to reassess their aspirations and understanding, review assumptions and priorities, revisit purpose and vision and, if required, discuss and negotiate or re-set aspirations and objectives relating to growth, sustainability and a threat such as global warming or climate change? How might this best be done? What should a board's role be in relation to oversight of strategic growth and organisational culture? How should it ensure that growth is responsible and development is strategic? Are culture, intentions, relationships and collaborations values driven? Is there consistency across supply and value chains? Has what is strategic and an acceptable use of resources in the current operating context been agreed?

Critical Thinking and Diversity

The need for repurposing, reprioritisation and reinvention, and transition and transformation, is such that critical thinking has become a key requirement of directors and boards, along with the diversity that can encourage and enable it (Coulson-Thomas, 2022d). Critical thinking can involve pause, reflection and re-visiting assumptions (Chatfield, 2017). It and diversity can also help to limit groupthink (Janis, 1972). Board reviews should assess them and whether because of conformity, groupthink, lack of diversity, being rule-bound and other factors a board has become dysfunctional (Janis, 1972; Brown and Peterson, 2022). Does the nomination committee present a sufficient choice of potential directors with different but relevant experiences, qualities and backgrounds? How independent are the non-executive directors? Do they provide the challenge and critical thinking one ought to expect from them?

Critical thinking and responsible board leadership are especially important in relation to contemporary challenges and existential threats (Coulson-Thomas, 2022d). Should they be among the hallmarks of a 'high performance' board? Does a board's purpose encompass existential threats and sustainability concerns? Where do they sit within its focus, aims and priorities? Active questioning and critical thinking are inter-related, and stimulating one can support the development of the other (Lorencová et. al. 2019). Diversity of approach, discipline, experience and perspective within workgroups can assist problem solving, encourage critical thinking and enable a wider range of options and possibilities to be explored. It can be conducive of the creativity and innovation and enterprise and entrepreneurship required to address existential threats (Coulson-Thomas, 2017a & c).

Workgroups themselves can be diverse as more companies adopt different ways of working and may draw their members from a mix of backgrounds, cultures and nationalities. Many of the key teams required to address existential threats are likely to be international and to operate outside of particular and periodic meetings largely on a virtual basis. Assessing and improving their performance could be helped by measures and factors that have been identified as important such as interpersonal communication, commitment and cross-cultural communication style (Lippert and Dulewicz, 2017). Gender and other forms of diversity can be beneficial for innovation and also advantageous for the performance of both top management and board teams in relation to the leadership they provide (Wu et al, 2022).

Leadership for Excellence and Innovation

Today's boards should exercise leadership that encourages, enables and supports the questioning and diversity that can be so conducive of exploration, creativity, innovation, enterprise and entrepreneurship and the imaginative responses to existential threats that are required (Coulson-Thomas, 2017a & c). A variety of approaches and methodologies have been used to measure business excellence (Metaxas and Koulouriotis, 2019, Hussain et al, 2020). The criteria used should be relevant to the priority outcomes being sought, whether these relate to challenges or opportunities. Some organisations devote much effort to assessment frameworks for particular aspects of activities, while ignoring much more significant and often negative externalities of corporate activities.

Given the responsibilities of directors and boards, should their performance be assessed in terms of their awareness, focus and responses to the principal risks and threats facing the companies for which they are responsible, the stakeholders and people to whom they are accountable, the environment and other who are impacted by corporate activities?

Environmental risks, namely climate action failure, extreme weather and biodiversity loss, have been assessed as the top three severe risks on a global scale over the next ten years, with two further environmental risks, human environmental damage and natural resource crises, ranked seventh and eighth respectively within the top ten (World Economic Forum, 2022)

What role should leadership, vision, excellence and innovation play in regard to the role a company might play in relation to emerging global challenges, existential threats and climate change adaptation and mitigation? Should they be the focus and priority? Is visionary, supportive or collaborative leadership required? Does the form of leadership provided depend upon the role a company is playing or could play in collective responses? Is transition or quickly scaling up or down within a window of opportunity the issue for many companies, rather than longer-term transformation? Do we need to excel at critical success factors for addressing severe or existential risks and survival, rather than every aspect of a general business excellence model, regardless of opportunity costs and negative externalities?

Legislative and Compliance Driven or Principled Leadership

Responsible investors and/or other stakeholders may have a particular interest in what drives board leadership, whether values, principles and/or purpose, or pragmatism and convenience. Purpose may be more important than slavish compliance with requirements that may already be out-of-date (Handy, 2002 & Mayer, 2018). What relative priority is attached to economic, financial, societal, environmental or other outcomes? What criteria influence investment and disinvestment decisions and/or the assessment and mitigation of strategic and operational risks, and those relating to shared purpose and collective responses to existential threats? How are strategies and activities relating to such risks, and areas like climate change adaptation and/or mitigation, monitored, assessed and revised?

Boards need to ensure that corporate strategy is aligned with purpose and priorities, stakeholder aspirations and concerns and the capabilities, processes, systems and collaborations required for its efficient implementation within the required timescale (Coulson-Thomas, 2021a). How might the views of stakeholders and other interested parties best be obtained and stakeholder engagement effectively governed? Is there an alternative model of stakeholder governance that would be beneficial (Bridoux and Stoelhorst, 2022)? Do cross-functional and supply chain processes operate effectively across business unit, discipline and organisational boundaries? How conducive are they and corporate structures and governance arrangements of innovation, collaboration and shared learning? Could addressing common existential threats and related opportunities represent a shared purpose?

Boards should also ensure that integrity, openness, transparency, critical thinking and ethical awareness and conduct are sufficient to ensure effective, principled and responsible corporate governance. Corporate accounting and reporting practices often conceal negative

externalities. Damaging activities are hidden or tolerated and even reported as ‘profitable’. In time, directors may become legally as well as morally responsible for social and other consequential harm. Are these prerequisites periodically reviewed and negative externalities of corporate activities and operations acknowledged, measured and addressed (Coulson-Thomas, 2019b)? What are the issues and opportunities for effective and principled corporate, environmental and collective governance in the current operating context?

World Class and Digital Excellence

What role does, could and should ‘business excellence’ play in relation to responding to existential threats and addressing related opportunities and undertaking transition and transformation journeys? How might different views of what represents excellence and from whose perspective be reconciled or aligned? Could ‘world class’ status be an indicator of board and/or executive team performance? Does it make sense to aspire to be ‘world class’ when areas of natural capital are being over-exploited and requirements, priorities and the impacts of climate change and extreme weather events can vary greatly by location? Is it for boards to consider what is appropriate, reasonable and responsible for each company? Must excellence now be viewed through a sustainability and/or ESG lens? Should it also be innovation driven if new possibilities and alternative approaches need to be explored?

Do ‘world class’ solutions invariably need to be digital, or could we learn simpler and less resource intensive approaches from ancient wisdom and/or indigenous people? In a turbulent situation such as during the unfolding Covid-19 pandemic the relationship between digital transformation and sustainable business excellence may not be easy to determine (Savastano et al, 2022). During transition and transformation journeys there may be little time for a digital business model to reach maturity before it has to be changed as a situation evolves. More rapid scaling up of innovations may be important for remaining excellent (Furstenthal et al, 2022). Different routes to business excellence and the adoption of a business excellence approach across an organisation have been examined (Hussain et al, 2020). Too often a common approach is sought, when it might make more sense for a variety of approaches to be used according to the activity or project in question and the collaborating parties involved.

Does the requirement for transformation relate more urgently to lifestyles, increasing resilience and re-thinking cities and rural communities? In such areas, how should boards identify and assess the role that innovation and/or digital technologies could play and inspire, encourage, enable and support the level of re-thinking, change and re-invention required? How should boards promote responsible innovation and excellence that ensures scarce human talent and natural capital such as rare earths are used for collective priorities rather than trivial purposes and for minority interests? Does lifestyle innovation offer prospects of a more inclusive, less resource intensive and stressful, and healthier and more fulfilling future?

Innovation Purpose and Priorities

Can an organisation be considered excellent if it is not innovative when demands upon it are continually changing? The purpose of innovation, for example, to address shared existential threats or achieve United Nations (2015) SDGs, is more important than the pursuit of

innovation per se and for its own sake (Mayer, 2018 & Coulson-Thomas, 2019b & c, 2021a & 2022b). Without significant adaptation and related innovation, transition and transformation, our collective lifestyles and business activities and operations are not sustainable. Innovation can play a key role in relation to sustainability and coping with climate change (Savastano et al, 2022). It can also be important for the international expansion of a business (Reuvid, 2020). This can be vital for the rapid rolling out and scaling up of effective corporate and collective responses and enabling widespread transition and transformation journeys.

Can innovation sometimes be problematic and difficult to justify? Just because something is demanded and could be supplied, or an innovation is suggested and might be possible, does it follow that a company should provide it, or ought to pursue it, especially if to do so might cause harm to those concerned or the environment? What customers and prospects are seeking could be legal and may meet regulatory requirements. However, in the present context it might not be desirable or advisable. It might also be unethical. One needs to remember the ethical dimension of excellence and the integrity required for cooperation in business (Solomon, 1993). Can pushing out boundaries sometimes become an end in itself, regardless of consequences? Should an undoubted technical triumph that might lead to negative societal or environmental impacts be regarded as excellent without qualification?

Although it has long been advocated and promoted and it is often hyped, there is nothing intrinsically worthy about the pursuit of digitally enabled transformation, particularly in transitioning to simpler lifestyles. Much will depend upon its purpose, consequences, opportunity costs and the context. For example, the impact of technological innovation on employment and job quality can sometimes depend upon skill levels and whether it is in manufacturing or in services (Duhautois et al, 2022). Appropriating value from a general purpose technology such as artificial intelligence (AI) can be challenging, particularly if an overly closed approach to innovation is adopted (Yang et al, 2022). Should attention be switched from complex and specialist applications to quicker to roll out and more affordable, inclusive and sustainable solutions which are easier to adopt, understand and use?

Fostering Disruptive Innovation in a Digital Economy

Disruption is desirable, if the activities being disrupted result in negative externalities such as damage to the environment and ecosystems and contribution to global warming and climate change. Such disruption may or may not involve the use of digital technologies that themselves require scarce natural capital. Some applications of digital technologies also demand significant amounts of energy, the generation of which increases greenhouse gas emissions and encourages the consumerism and desire for material goods that fuels unsustainable growth and exacerbates existential threats. Enabling technologies and innovation are desirable if they are sustainable and address existential threats, support required transition and transformation journeys, and deliver positive externalities.

A collective challenge is to make sure that the negative short-term impacts of innovation and other responses to existential threats do not trigger tipping points before they deliver

sustainability benefits such as reducing net emissions over the longer-term. The maturity of a digital business model may have a positive impact on sustainable business success (Savastano et al, 2022). However, some technologies and their applications take longer to mature than others. During transition and transformation journeys a business model may need to evolve rather than mature in order to stay relevant. A succession of upgrades or redesigns might be required which result in a flow of disruptions with their inconvenience and costs. Could the time when the benefits of such changes might exceed their accumulating costs be postponed almost indefinitely? Innovations can be ‘over-taken by events’ before they are implemented.

It is how we use digital and other technologies and innovations and for what purpose that determines whether they will be helpful or harmful and a responsible and justifiable use of scarce natural capital (Coulson-Thomas, 2019d). Science and innovation can lead to uncertain and unpredictable impacts and ethical dilemmas (Owen et al, 2013). In relation to challenges now being faced and collective responses to them, what quick and authoritative ways could responsible boards use to handle ethical issues that arise? Are strategies required for making the best use of sustainable capacity for the manufacture and operation of digital devices and ensuring that sufficient software development capacity and rare earth deposits are available for priority climate adaptation and mitigation measures?

Recognising Limits to Excellence and Innovation

Where, when, how and with whom people work, learn, organise, collaborate, consume and live and for what purpose and the delivery of a variety of public services can be transformed by new business models that may transcend barriers of distance and time. However, where natural capital is finite, should our collective priority be to do more of what is needed for our survival with less, rather than make ever greater demands upon it? Potential applications of disruptive or enabling technologies and innovation greatly exceed the chip making, software development and other capabilities required to rapidly adopt them. Will available resources be used to spread and democratise opportunities, or will the division between have and have nots, or winners and losers, become ever more stark? How might beneficial creativity and more inclusive and sustainable innovation be fostered, scoped and financed?

Digital technologies are not a panacea. Deriving clear, justifiable and responsible benefit from some technologies is more difficult and time consuming than might at first appear to be the case. Immature and complex general purpose technologies are more difficult to derive value from (Yang et al, 2022). With corporate and collective responses during narrowing windows of opportunity, responsible assessments of the impacts of digital technologies, are especially important (Coulson-Thomas, 2019d). Potential benefits are sometimes elusive, unrealistic or ‘oversold’ by vendors and practical considerations such as end of life disposal, recycling and the recovery of rare earths are frequently overlooked, .

What needs to happen for innovation and applications that pursue United Nations (2015) sustainable development goals (SDGs) to become a shared and strategic imperative? How should effective cross-functional and multi-organisational teams for leveraging disruptive and enabling technologies be assembled or created, monitored and managed? Is human capital the

essential driver of beneficial and operational excellence and responsible innovation? Will enough teams who understand how people and technology can best complement each other be assembled to achieve desired results while there is still time and remain relevant as events unfold and adaptation, mitigation, transition and transformation journeys are undertaken? How might corporate, community and/or collective aspiration, culture and incentives foster sustainable innovation in products, services, processes, relationships and lifestyles, scientific and technological breakthroughs, and stimulate, enable and harness creativity, across value chains, support arrangements and collective responses to existential threats?

Excellence and Innovation in Family-Owned Business

Pressing requirements for lifestyle changes and tackling shared challenges also create opportunities for family owned businesses. They are especially significant in some countries, particular communities and certain parts of the world. Some of them could have an important part to play in climate change adaptation and mitigation and responses to existential threats. What role could and should excellence and innovation play in relation to small business entrepreneurship and success (Coulson-Thomas, 2016)? How many corporate boards understand how best to engage and collaborate with them? What approaches and models do they use to ensure continuing family ownership and influence and/or control, engage with stakeholders, collaborate, resolve conflicts and assess and distribute the results of financial performance and value and opportunities created? How should family members handle the transition to a different way of managing and governing a family business or a need to become more innovative, stay current, adopt a different business model or change direction?

Management and governance structure and a focus on higher goals can be particularly important in family businesses (Kyurova and Koyundzhiyska-Davidkova, 2017). How are the governance models of family businesses coping with contemporary challenges and opportunities? Would more of them benefit from a formal governance structure with strategic direction, policies and plans provided by a board of directors, the membership of which might include non-family members? Are there family business and SME director and board development requirements that should be addressed (Coulson-Thomas, 2007b)? How might family members who were not selected as directors react and be involved, and conflicts of interest and business related disputes within a family handled? How far should the notion of being a family member extend? Who should decide on whom to include or exclude?

Family members can sometimes be considered the most significant stakeholders of a family business (Signori and Fassin, 2021). Family dynamics can be important. What could be done to address inter-generational issues? Will older family members who have become used to being deferred to adapt to more consensual forms of decision making? How will younger family members who may have been educated abroad and the first generation to attend university and their spouses relate to older relatives who have led more traditional lives and may not have travelled? How might a shared purpose, priorities and objectives emerge? Will those used to receiving a regular income support its reinvestment in growing a business, changing direction and operating more sustainably? What criteria will be used for selecting directors, allocating roles, distributing rewards and dealing with the varying individual

financial needs of family members? How will the differing strengths and limitations of family members be integrated and addressed and disagreements overcome? What arrangements should be made for developing future leaders and smooth succession planning?

Excellence and Innovation for a Sustainable Future

Directors of Indian companies have a particular, current and pressing opportunity to influence the future prospects of mankind and natural ecosystems. India's population is large enough for the lifestyle ambitions, priorities and choices of its citizens and the collective activities and operations of Indian companies and family businesses to determine whether or not and when certain tipping points might be reached. India's rich heritage of ancient wisdom respects nature. It advocates living in harmony with the natural world (Coulson-Thomas, 2017b, 2019a & 2022a). It warns that while material trappings may temporarily distract, they cannot address a feeling of emptiness within or lead to enlightenment.

Open innovation that embraces external sources of knowledge and paths to market can address societal challenges and could be relevant to collective responses to existential threats and social and environmental issues (McGahan et al, 2021). The range of opportunities and possibilities to be explored is such that boards should ensure that executives and others for whom they are responsible are not so overloaded that they do not have time for the critical thinking, exploration and experimentation that may be required. Executive job demands can negatively affect overall corporate innovation and increase the share of exploitative innovations at the expense of exploratory innovations (Zhu et al, 2022). Age, gender and tenure variety and an innovative climate can weaken the negative affect of job demands and is a further justification of diversity within boards, executive teams and workgroups.

Despite formidable challenges, there are multiple and related opportunities for people and organisations, and for enterprises, whether major corporations or modest family businesses, to help create truly sustainable communities, cities and wider societies and less stressful and resource intensive and simpler, healthier and more fulfilling lifestyles. For many directors and boards, there is an unprecedented opportunity to initiate, collaborate and make a difference. Whether or not an individual company is excellent and/or innovative may be less important than whether a community or society is, and whether individually and collectively boards have the will and drive to question, think and act in pursuit of responsible, inclusive and sustainable activities, lifestyles and outcomes for humanity and the natural world.

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Further information

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Abstract

This article explores the role a board might play in relation to excellence and innovation, and in confronting shared challenges and existential threats. It suggests issues and questions to consider in relation to board leadership, its exercise, focus and performance. Critical thinking, diversity and digital technologies can be enablers of innovation, which may be desirable if it addresses existential threats, supports required transition and transformation journeys, and delivers positive externalities. Boards are encouraged to reflect on the purpose of innovation and the focus of excellence, their application and their limits. Opportunities to create sustainable communities, cities and societies and less stressful and resource intensive and simpler, healthier and more fulfilling lifestyles are legion. Many boardroom teams have an unprecedented opportunity to initiate, collaborate and make a difference. Whether or not an individual board and company is excellent and/or innovative may be less important for future survival than whether a community or society is, and whether individually and collectively boards have the will and drive to question, think and act in pursuit of responsible, inclusive and sustainable activities, lifestyles and outcomes for humanity and the natural world.

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