

ROTTERDAM SCHOOL OF MANAGEMENT
ERASMUS UNIVERSITY

MAX HAVELAAR LECTURES



GENERATION Y CHALLENGES YOU!

ARE YOUNG SUSTAINABLE INTRAPRENEURS AND
ENTREPRENEURS GOING TO MAKE A DIFFERENCE?

SEVENTH MAX HAVELAAR LECTURE
ROTTERDAM, OCTOBER 2014

LECTURE SERIES
RESEARCH IN MANAGEMENT

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Rotterdam School of Management, Erasmus University (RSM) is ranked among Europe's top-tier business schools for education and among the top three for research. RSM provides ground-breaking research and education furthering excellence in all aspects of management and is based in the international port city of Rotterdam – a vital nexus of business, logistics and trade. RSM's primary focus is on developing business leaders with international careers who carry their innovative mindset into a sustainable future, thanks to a first-class range of bachelor, master, MBA, PhD and executive programmes. www.rsm.nl

The Partnerships Resource Centre (PrC) is a specialist research centre at Rotterdam School of Management, Erasmus University. It produces new knowledge about cross-sector partnerships from scientifically sound research and practitioner experience to aid sustainable and inclusive development. Its ambition is to mutually reinforce these two bodies of knowledge using an approach that is independent, critical and constructive.

Max Havelaar is the world's first Fairtrade labelling organisation. Since 1988, the Max Havelaar certification mark has been used to guarantee consumers, that their products have been traded under fair conditions. According to the vision that people can only maintain their families and communities through sufficient income from labour, a strategy was developed that addresses poverty alleviation through entrepreneurship. The standards that have been set support farmers in achieving a better deal for products such as coffee, tea, fruit, cocoa, wine and cotton. The Max Havelaar initiative has been followed in twenty different countries, among which are most European countries, the U.S.A. and Canada. Together with these initiatives Max Havelaar founded the international Fairtrade Labelling Organisation (FLO). The Max Havelaar Foundation is set up as a not-for-profit foundation and does not trade, but inspires and stimulates market players to develop a market assortment under Fairtrade conditions. Fairtrade has been successful in recent years. More than a million farmers and their families benefit directly from Fairtrade. The Fairtrade initiative has stimulated other actors to develop other sustainability certification schemes, which are welcome. However, none of them has the unique Fairtrade trading conditions that guarantee farmers investment and a price for their products, provided that they market under the Fairtrade label.

The lecture: Poverty alleviation constitutes a multi-faceted problem. It is, on one hand extremely local and leads to enormous deprivation for at least half of the world's population. But on the other hand, through the operation of global markets – in particular of resources – and the functioning of value chains, it is an extremely international problem. It is clear that the involvement of private and international corporations is far from undisputed. The integration of developing countries in the international supply chains of multinational corporations can have positive and negative repercussions. The new development paradigm therefore is not yet established, let alone undisputed. The Max Havelaar lecture stimulates the thinking on these issues in a balanced manner, without making use of the usual simplifications either in support of, or against, the involvement of firms in development. The Max Havelaar organisation is proof of this approach: it aims at a continuous improvement in its strategy towards labelling products – increasingly in a variety of partnerships with NGOs, corporations and governments.



1. THE SEARCH FOR NEW SUSTAINABLE LEADERSHIP: A MATTER OF GENERATIONS?

A 2013 article by Forbes asked the following question: *'Millennials will soon rule the world. But how will they lead?'* (Forbes, 2013). What Forbes describes as 'millennials' in the generational discussion is better known as 'Generation Y'. There is an increased interest from business practitioners, popular management students, media and scholars on the potential of new generation leaders to lead business and society into a more sustainable direction. This interest in these days is particularly focused on generation Y – the cohort of people born between 1982 and 2002. This generation is now in their twenties and thirties and the next in line to take over leadership positions in business and society (Howe & Strauss, 2000).

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Much is expected of this new generation – perhaps too much? According to *The Guardian* (2012) this has everything to do with the fact that we are living in an 'unprecedented period of economic crisis, one where ecological sustainability needs to be seen in the context of economic and social sustainability'. A new type of leadership is necessary – 'one that recognises organisations as living organisms'. This leadership gap is felt by the public and is demonstrated in the very low scores of public trust in government, businesses and international institutions in solving big economic, social and environmental issues. But the gap is also felt by business practitioners themselves. Research amongst 2,000 sustainability practitioners indicated that there is a leadership vacuum felt amongst these practitioners because 'critical issues related to sustainability are being ignored or inadequately addressed by both government and business leaders' (IISD, 2008).

Even though more and more companies are acknowledging their responsibility to tackle global issues like climate change, poverty and resource scarcity, there are still not enough leaders leading that change. Paul Polman, the CEO of Unilever – which is considered a frontrunner in sustainability – is nevertheless optimistic about the future because of the entering of *'a new generation of CEOs that understands we need to redefine the role of business'* (2degrees community, 2014). According to *The Guardian* (2013) the new generation of entrepreneurs is already putting new leadership

into practice: *'Though we face tough environmental and social changes, a new generation of business entrepreneurs is tackling these head-on.'*

In the Netherlands, the interest for the leadership of a new sustainability generation is also noticeable. Witness, for example, the emergence of events like The Future Leaders Event, The Partnership Election, and Nudge Leadership Challenge. Young people active in sustainability are becoming increasingly visible, organising themselves into network organisations like the Global Shapers, Morgen, World Connectors, the Youth Food Movement and Young Club of Rome. The Sustainable Young 100 list, initiated in 2013, made it to the front cover of a mainstream Dutch newspaper. This illustrates the growing interest in Dutch society for a new generation of leaders that are supposed to, or it is hoped will approach sustainability differently from previous generations (*NRC Handelsblad*, 2013). Young leaders are increasingly gaining attention and influence in the more established public domain. For example, the Social and Economic Council (SER), an important advisory body of the Dutch Government, recently involved young people in the deliberations towards an energy agreement for sustainability growth (SER, 2013). Some young people even manage to gain international awareness with their sustainability actions, like 19 year old Boyan Slat in 2014 with his initiative to Clean-up the Ocean (*Bloomberg Businessweek*, 2014).

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Does the interest and activity of young people in sustainability mean that a whole new generation is on its way? And if so, will this new generation embrace sustainability to such an extent that fundamental change can appear? Or will these activities remain marginal and become only slowly embedded in mainstream business and society as has happened so often with some of the older generations? In particular the Baby Boom generation, originally described as the 'flower power' generation, was embraced with comparable revolutionary expectations, but in practice shaped most of the last two decades that have contributed to the immense sustainability challenges humanity is facing at the moment.

Does it matter whether new generations are intrinsically or extrinsically motivated to engage in sustainability? Are we, in fact, not looking at a universal clash of interests between old and new, which is more of a power and interest game than about content? In her 2008 Max Havelaar address, Noreena Hertz had already noted that the present generation of parents – living in rich countries – do not expect that their children will have more opportunities than they had. Instead of optimistic, a considerable part of Generation Y is becoming fatalistic – faced with serious problems of unemployment, job destructions and the like. Youth unemployment in various countries in Europe, but also in Africa, is reaching unprecedented levels (around 25-50 per cent) that were not even reached in the 1980s – the previous period of recession. The prospect of becoming a new 'lost' generation comparable to that of the 1970s and 1980s is therefore also looming large in a number of countries. Do young leaders accept this prospect and how does it affect their sustainability ambitions?

These were some of the leading questions for which the 2014 Max Havelaar lecture was organised. We designed it as a debate between the entrepreneurial part of Generation Y and the 'older' generation (non-Y) of sustainable leaders in a number of areas:

1. Social enterprise
2. Social movement
3. Sustainable innovation
4. Science of sustainability.

We chose acknowledged leaders in the area for each category in the hope that they would emphasise different dimensions of the sustainability challenge. As it turned out, the meeting became more a meeting of like-minded spirits than a battle between generations. This, of course, was partly the result of a selection bias— a choice for representatives of older generations that are already seriously engaged in sustainability questions. But it also highlights a tangible development that there is growing awareness for the inevitability of the sustainability agenda amongst all generations.¹ This positive finding, however, will not solve the issues at hand. We know that awareness is important also in the established – older – generations. But only actual action can make the difference. Here smart leadership that can make sustainability mainstream is important; this probably requires leadership from older as well as younger generations. But do they understand and recognise each other? Young generations in the past have shown remarkable adaptive abilities, once they became part of the establishment (as we will see with the Baby Boom generation). Protest and 'doing things differently' can reassert existing elites or move the younger generation in a relatively marginal position. Can Generation Y deliver? And under what conditions? Can they do it on their own, or should they ally themselves with those generations that are actually in power? And if so, how should they do it?

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In this background and extension document to the Max Havelaar meeting, we therefore not only cover the discussion of 'Young' versus 'Old', but also provide two additional angles to the topic for further research and discussion:

- *Chapter 2* defines general characteristics of four generations that are, at the moment, defining the sustainability landscape. This chapter can help you define the common characteristics of your own generation regarding sustainability.
- *Chapter 3* reports on an exploratory study in which young Dutch sustainability leaders were asked for their opinions, motivations and experiences. A distinction was thereby made between entrepreneurs and 'intrapreneurs'. Entrepreneurs chose to set up a new business venture (often a social enterprise) to independently contribute to sustainability. Intrapreneurs chose to achieve sustainability within existing businesses (often big companies). What drives them and what effects can we expect? Chapter 3 reports the first outcomes of this study. The box below provides some typical statements of intrapreneurs and entrepreneurs from Generation Y.
- *Chapter 4* provides a transcript of the Max Havelaar meeting. In this meeting, eight keynote speakers talked about their experience with either social enterprise, social movement, sustainable innovation, or science on sustainability as a vehicle towards a more sustainable world.

¹ A short video account of the meeting can be found on: https://www.youtube.com/watch?v=nJFaLgK_jyg&feature=youtu.be

Quotes from sustainability intrapreneurs and entrepreneurs from Generation Y

'I think that the world is tired of protesting. We have seen all the misery by now. People don't feel anything anymore seeing starving little children in Africa through the television. You see it too often, you don't feel anything anymore. We have become numb for it. That's why the negative and confrontation doesn't work. People think 'it's bad enough already, what can I do about it?' So it is better to say; 'This is fun, join us. The negative are the circumstances beyond control and positive is practical, like 'go and do something'.' – **Young entrepreneur**

'Sometimes I really think that our generation is different. For example that we organise things ourselves when we want change, and not wait for it to happen.' – **Young entrepreneur**

'I have the idea that although Generation X (the one in charge) might be noticing what we're all heading for, they don't know how to deal with that. It seems as though they are still searching for their own way of dealing with a changing world.' – **Young entrepreneur**

'In terms of young people trying to have a positive impact on society, I think that it is the same as it has always been, but people are choosing now to do it using a different mechanism.' – **Young intrapreneur**

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'There is so much welfare in our country even though we went through an economical crisis. So you have already such a good starting point as young person here in the Netherlands because of everything the generations before us have built. You just have all the opportunities and possibilities to make something out of it.' – **Young entrepreneur**

'I don't like it when members of older generations say to me 'your generation has to do it, make a change'. That is giving up on your own generation and not taking responsibility. And it is putting unrealistic much hope on our generation. I think that everybody across different generations is having expectations of a different world and we have got to work together on that.' – **Young intrapreneur**

'There's a disconnect between what we think of sustainability, that it's really business and not the soft, green alternative perspective of the older generation. I don't mind when people use plastic cups because that has nothing to do with sustainability.' – **Young intrapreneur**

'Our generation can bridge the gap between the previous generations and the one who is coming. We have digital skills, but we are also capable of communicating with the older generations.' – **Young intrapreneur**

Source: Chapter 3

WHAT BENEFITS DO GEN YS BRING MORE OF TO THE WORKFORCE IN COMPARISON TO GEN XERS AND BABYBOOMERS

?(Three alternatives were selected.)

35%

GLOBAL MINDEDNESS

OPEN

32%
OPENNESS

TALK... TALK...

35%
NETWORKING
POTENTIAL



26%
FLEXIBILITY

50%

PRODUCTIVITY DUE TO
BEING TECH SAVVY

21%

MOTIVATION IF WORK
EXPERIENCE IS REWARDING

Not

15%

INNOVATIVE THINKING

12%

NOTHING - THEY DON'T
BRING ANYTHING NEW

6%
CONFIDENCE

Source: Quick Poll on Employer Branding Today

BUILDING BRANDS TO CAPTURE TALENT

UNIVERSUM



2. DO GENERATIONS MATTER?

WHAT DISTINGUISHES GENERATION Y FROM NON-Y?

Talitha Muusse MScBA, The Punchy Pack & Prof. Rob van Tulder, Rotterdam School of Management, Erasmus University (RSM)

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2.1 Introduction: is sustainability leadership a 'generation thing'?

What kind of difference will and can Generation Y make in the area of sustainability? This question has three sides:

- Do younger generations in general differ from older generations?
- What defines the success of their leaders in actually getting their ideas implemented?
- What does this imply for the topic of sustainability?

Generational thinking attaches importance to peoples' ages, because it can explain why they have particular convictions and ideas. The circumstances under which these convictions and ideas develop can be universal and of all times – this relates to the normal problem of generation gaps in which younger people by definition oppose older generations. But the circumstances can be also more specific, for instance because of rapid technological change and new thinking about societal phenomena. New thinking is thereby strongly affected by triggering or traumatic events – such as the climate crisis, the financial crisis, political turmoil, or periods of sustained unemployment.

But generations are not static. In the case of triggering events, older generations will also feel the urge to adapt to these new challenges. But will they really change or only try to save their vested interests? Older generations have not only different interest positions (being more established than younger generations), but probably also different convictions and ideas. Whether they will adapt to new circumstances or not is mitigated by their leadership styles.

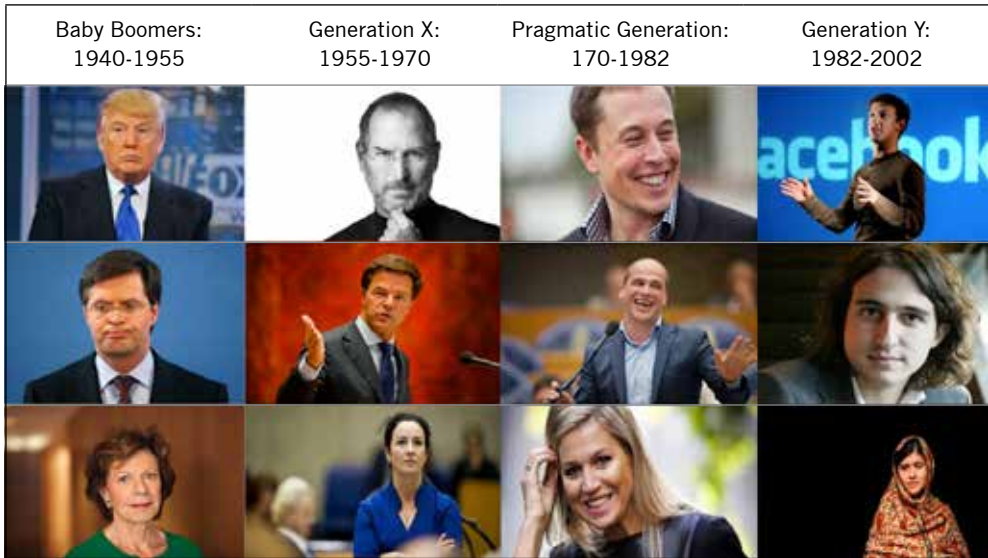
Generational thinking tries to figure out what the impact of these convictions and ideas can be on the way they address a common challenge like sustainability. This influences the outcome of the discourse. What thereby prevails: generational characteristics, societal influences or both? In the scientific literature on leadership and sustainability, not much attention has yet been given to the influence of generations. Conversely, in the generational literature not much attention has been spent on the issue of sustainability and young leaders. So any exposé on this combined topic, including this contribution, will remain largely exploratory.

In this contribution, we seek to understand to what extent representatives of Generation Y not only address the sustainability issue differently as a phase in their life – which might change as soon as they grow up – but are likely to come up with really different propositions that will also have impact. This requires that we are able to understand the background of the convictions about sustainability that generally guide the attitude of all active generations in society. How pervasive are their convictions, in particular when they clash with other generations that are often in better societal positions, or to what extent can we expect a particular conviction to last in later phases of their lives if they become more established?

At the moment there are four generations active that have established various positions in society through which they influence the discourse on sustainability²:

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- Generation Y or Millennials are in their young adulthood (15-35 years)
- The Pragmatic Generation is entering midlife (35-45 years)
- Generation X or the 'lost generation' is in midlife (45-60 years)
- The Baby Boom generation is in elderhood (60-80 years)



² There is discussion on the next generation after Generation Y. The end birth date of Generation Y is generally considered to be 2001 or 2002, but this includes therefore also young adolescents (13 years) that have not taken any societal position yet. A more exact delineation of the end of Generation Y and the start of a next generation will only be possible in a couple of years.

In the workforce and in formal leadership positions in most societies, the power balance has moved from the Baby Boomers to Generation X – in particular men in formal positions. “The men of this age are in power in every walk of life.” (Marias, 1970; Bontekoning, 2014). A strong residual element of the Baby Boom generation, however, is still highly active and powerful. This is not least because they represent a relatively large birth cohort. They are, for instance, still particularly powerful as thought leaders and in politics. In a sense many of the Baby Boom generation are cheating on their generation due to good health conditions: 60 has become the new 50. Generational clashes are sliding, in this case, to the advantage of older generations that can stay in power for longer. In particular the Pragmatic Generation – also known as late Generation X – seems to struggle with these two cohorts of preceding generations that are not going away. Consequently the Pragmatic Generation is also referred as the ‘silent’ generation. Their attempt to remove Generation X from power is further burdened by a relatively small birth cohort in most countries. Other than previous generations, Generation Y has again big relative numbers, but has no formal or institutionalised position (yet). They have other power bases, for instance as lead-consumers and start-up entrepreneurs. In particular their ability to use the well-developed technologies of the internet revolution makes them a particularly interesting generation. It provides some of them with a leadership position in society at an earlier age – it seems – than previous generations. One can witness this in the rapid success of technology and networkbased companies, like Facebook, that introduced different systems (the ‘we-economy’) and were founded by Generation Y representatives. In particular in areas of social enterprise one can find many interesting examples of young entrepreneurs that not only use technology, but also create new business models that provide new answers to sustainability issues.

If generational thinking is relevant, it should be anticipated that each of these generations has a different take on the issue of sustainability, because they have acquired different values, attitudes and leadership styles in their formative years. It also implies that they will be differently motivated to actually do something about sustainability. The aim of this exploratory paper is to build on general insights from generational and leadership literature to understand how situational and personal factors have influenced the attitudes, values and leadership styles of generation towards sustainability. Furthermore, we extrapolate these insights to the present Dutch situation in which various generations of ‘sustainable leaders’ participate in the discourse. What kind of leadership style is likely to prevail in this debate? This contribution is a first effort to develop this argument.

This paper has five aims:

1. Define what a generational approach entails (section 2.2)
2. Explore what generational circumstances imply for motivations of individuals (section 2.3)
3. Explore the leadership style of new generations to do it differently and create change in the area of sustainability (section 2.4)
4. Apply these insights through a short description of the historical backgrounds that have shaped the attitude and values of the four different generations on contemporary issues of sustainability (section 2.5)
5. Conclude in a more speculative manner what a clash of these different attitudes, values and leadership styles implies in general (section 2.6), and for the present discourse on sustainability in the Netherlands specifically (section 2.7).

2.2 The components of a generational approach

Generational theory explains why specific groups within society share common characteristics as the result of shared circumstances in which they grew up. Members of the same generation are likely to develop shared norms, values, ideas and perspectives on society, which leads to comparable behaviour. Belonging to a generation can thus influence individual decisions and actions – like adopting sustainability leadership or other types of environmental significant behaviour. Generations create change through two processes: (1) more universal processes in which each young generation always creates change; (2) more or less pervasive situational factors that makes one generation more influential than another for societal change.

The foundations of Generational Theory go back to the work of the sociologist Karl Mannheim (SCR, 2010:23) who introduced the concept of 'generational location' – 'the same historical and social circumstances at the same historical and cultural region'. According to Mannheim, these circumstances only have a lasting influence on people during the *formative period* of their lives – their adolescence between the ages of 17 and 25. Adolescence is a period in life in which an individual's intellectual and spiritual capacities manifest, which makes them more sensitive to the spirit of the age than adults. Acquired experiences, interests and skills during this period will have a lasting impact. The consequence of this reasoning is that we only have to look at the birth dates of individuals to understand why they think and do as they do. It creates a static image of generational cohorts.

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Mannheim's relatively mechanistic approach has not been without its critics. An equally defined formative period for each individual might not exist, which makes the boundaries of generations in terms of year of birth difficult to ascertain. The nature of formative experiences is not very clear either, and differs between cultures and countries. Mannheim puts a lot of emphasis on traumatic experiences that influence generations. However less dramatic experiences and slower developments may have similar formative effects (Scherger, 2012). If gradual historical and social developments have formative effects as well, it becomes less likely that clear distinctions between birth cohorts are found (van den Broek et al, 2010). Finally, the very use of the term is relative: a generation only possesses certain characteristics in comparison to other generations. What looks absolute (young versus old) is in fact relational (young in reaction and in interaction with old).

Even Mannheim acknowledged that not all birth cohorts develop into distinct generations. A generation is formed only when shared historical and social circumstances are defined and interpreted by its members *in the same way*. Additionally, this common definition and interpretation of events must lead to a *shared worldview* that is then translated into distinctive action. A generation only exists when this group of people distinguishes itself from previous or future birth cohorts in worldview and actions. Generations materialise more in cases of shared traumatic events. Traumatic or triggering events create common characteristics of a generation. But Alexander (2004) found also that social groups or nations have different ways of reacting to traumatic events; some are more inclined than others to take responsibility under the influence of culture or the legal system adopted in a country, for instance. Traumatic events in the area of sustainability can include ecological disasters, well-published cases of fraud, system crises and the like. Research on generations does not reveal a universal logic in the response to traumatic events. Traumatic or triggering events do not by definition lead to change, because a younger generation responds differently than the older

generation. But the importance of taking triggering events into account is nevertheless undisputed. Bourdieu (1990) dealt with this issue in a slightly different way in order to understand why some generations are more affected by triggering events than others. Instead of focusing on traumatic events as such, he showed how the competition between generations over various 'resources' can bring about social change (Edmunds & Turner, 2005:562). Bourdieu divides the social world into different semi-autonomous fields, like politics, art, religion and education. Actors in society draw on resources, economic, social and cultural, as a way to compete for status, also called social capital, within these fields. According to Bourdieu, 'generations shift from being a passive cohort into a politically active and self-conscious cohort when they are able to exploit resources to innovate in cultural, intellectual or political spheres' (Edmunds & Turner, 2005:562). Active and passive generations *rotate* in interaction with each other. An active generation does not accept the economic, social, cultural circumstances and field of politics as a given, but tries to change those circumstances. An active generation is often followed by a passive generation, because in consuming existing resources and exploiting opportunities, an active generation closes off the advantages of the generation that follows. An active generation becomes a 'strategic generation' when it is able to create the more structural conditions under which societal change can materialise. Strategic generations bring about different types of leaders than passive (or even active) generations.

So Turner (2002) argued that social change is brought about by available strategic advantages of a generational cohort in particular in societal areas like economics, politics, culture or technology. The rise of political leadership is closely linked to the establishment of cultural and intellectual leadership. The political consciousness of a generation can thus be highly important in shaping the national consciousness of an epoch (Turner, 2002:18). Leaders are also important because they act as strategic agents in the trauma process of a generation. Generational leaders are the ones who persuade others to give significance and meaning to events and circumstances. If successful, this significance and meaning is adopted by the general population, turning an event into a *significant generational experience*. Besides giving sense and meaning to traumas and events, generational leaders make claims about social reality and its causes and the responsibilities for actions such causes imply (Alexander, 2004:563). This means that generational leaders not only have an important role in the *sense making* of events and circumstances, but also in the *call for action* or change deriving from this sense making process. From a leadership perspective these generational leaders possess the ability to sense when the *zeitgeist* is ready for a renewal and what this renewal should be like. As with any other type of social movement, only a small segment of the generational cohort, the vanguard, is setting the agenda of a generation as a whole and thus turning it into either an active or passive generation (Edmunds & Turner, 2005:563). Note here that the vanguard itself can have various or even opposing views on the meaning of traumatic events, and formulate different calls to action.

Strauss & Howe (1998) finally argue that the effects of 'generation' differ through every stage of life. In every stage of life another social role influences how people react to important societal circumstances. For example, the young *adulthood* phase between the ages of 20 and 40 are characterised by activity and vitality, serving institutions but at the same time testing values. Strauss and Howe argue that a generation either is considered dominant or recessive based on the turn of generational events experienced as young adults. When a youth generation comes of age it has either an independent attitude and behaviour that defines an era and its collective persona, or a dependent role.

Dominant generations have two types of archetypal roles within society; the 'prophet' and the 'hero'. According to Strauss and Howe, the Baby Boomers were prophets – awakening as young adults, they attacked institutions in the name of personal autonomy. Awakening occurs when institutions are strong and society is reaching its zenith in terms of progress, but people feel the need for more personal authenticity and to recapture the spiritual and cultural.

Millennials or Generation Y on the other hand are expected to be heroes, experiencing crisis as young adults and destroying institutions in response, to rebuild them again. Heroes seek community purpose and locate themselves as members of a larger group. Recessive generations have, according to Strauss and Howe, two archetypal roles; the 'nomad' and the 'artist'. Generation X is considered to have taken on the nomad role; institutions are weak and distrusted, individualism flourishes. This occurs when society is at its low in terms of (public) progress. The Pragmatic or Silent Generation is considered to have taken on the artist archetype. They were raised very protectively by parents who were occupied with the crisis. They become young conformist adults because institutions are strong again and individualism is weak. In the theory of Strauss and Howe, each generation relives every archetypal role in its lifetime, however most emphasis is put on the role a generation takes on during young adulthood. In this period, consequently, basic attitudes and motivations of young leaders will be formed. The next section will elaborate on this argument further.

2.3 Motivations for change

Generational conditions in peoples' formative years shape three types of effects: what young people want, what they must or think they must do, and what they actually can do. The attitude of younger generations towards the economic and political system that the older generation has created (including technologies and sustainability challenges) has consequently four basic positions³:

- **Inactive:** the new generation accepts the system, values and practices as they are; they adapt to the system as defined by their parents – either from the start or after a period of socialisation – and try to have a normal life for themselves within a set of formal and informal rules. In sustainability issues, this can be expected in particular from children of more prosperous upbringing. Younger generations don't want, don't need and cannot change anything.
- **Reactive:** the new generation protests against the system and holds the older generation accountable, but in principle takes no responsibility for changing the system. Often this position is triggered by the negative consequences – traumatic events – of the existing system (unemployment, war, lack of involvement). This can also be the result of the classic clash of adolescents and their parents in which children make clear that they don't want to do it the same way as their parents, but not necessarily are able to define what it is that they want instead. This is part of normal growth processes influenced by hormones. In principle this interaction represents a game in which the motives of the established (older) generation prevail. Depending on the reaction of the older generation, and the resources available to the younger generation, the interaction between generations can result in a stabilisation of the situation or in actual change.
- **Active:** the new generation has a more fundamental (intrinsic) desire to become more sustainable than the present system allows. Individually this means that their motivation is strong enough to withstand external pressure and to search for business models and solutions that they can implement themselves. Technological and societal conditions should also be there to enable this change. Timing therefore is a critical success factor for individual entrepreneurs to move from

³ This model was first developed to cover for sustainable business models in: Van Tulder, Van Tilburg, Franken & Da Rosa (2014).

what they want as young adults to what they really want as young entrepreneurs. A different route towards a more active attitude towards sustainability can be based on the new generation that has become particularly aware of the negative consequences of the system, and moves from a reactive to a more active attitude. Their willingness to change is more situational and more dependent upon technological and systemic circumstances. Provided these circumstances are there, the younger generation is not likely to relapse into an inactive attitude.

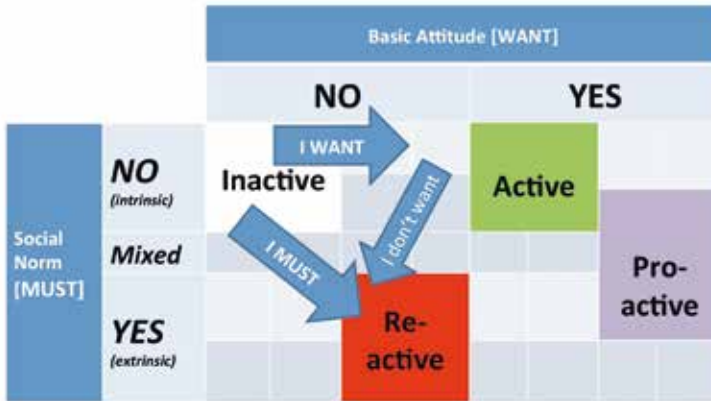
- **Pro-active:** the new generation shares a critique on the system and a desire to really change it. This implies that they not only have to want more sustainability themselves, but also that they have to persuade others to want it. In generational terms, this requires the new generation to become mobilised, and additionally that other generations that are influencing society (probably in a more decisive manner than the younger generations) will collaborate in changing the whole system. A pro-active stance, therefore, creates a game of mixed motives in which the motives of older as well as younger generations are combined. Only under these circumstances can it be guaranteed that the strategic leadership of active young generations will not remain marginal or niche but actually create systemic change. If younger generations do not take this into account, the hindrance power of older generations probably suffices to sustain their marginal position. Only under very specific historical (revolutionary) circumstances can one generation actually completely remove older generations. Another factor is the ability of established generations to absorb the most interesting and easy to implement parts of the ideas of younger generations. As a result the system will only moderately change.

So how societal change actually materialises due to generational interactions, depends in particular on the tensions between the 'want' (individual factors and drivers) and the 'must' dimension (situational factors) that each generation experiences. Change then can be portrayed as a clash between intrinsic and extrinsic motivations over time. The want dimension might look perfectly intrinsic, but is however also the result of upbringing and culture. A person's personality, basic values and intrinsic motivation reflect the conditions that prevailed during the years of pre-adulthood (Inglehart, 2008:131). The classic discussion of nature versus nurture is applicable here. The want dimension in general is strongly influenced by what is considered common by a generation. So under conditions of more prosperous societies it has been found that people, including adolescents, will put more emphasis on post-materialist values. The must dimension can relate to educational systems and other social norms that children experience and partly influence their want dimension: new generations internalise the dominant values of the older generations by upbringing, schooling and the like. But if these factors are to be the most influential, new generations would merely reproduce the old generations in terms of values, learning and practices.

In the early stage of this interaction – during adolescence – the generational tension generally takes the shape shown (Figure 2.1). It represents the universal clash between parents and adolescents: 'you must' versus 'I don't want'. The adolescent is protesting, but without any clear idea of what he or she actually wants. This is true of all ages and has not been decisive in triggering change.

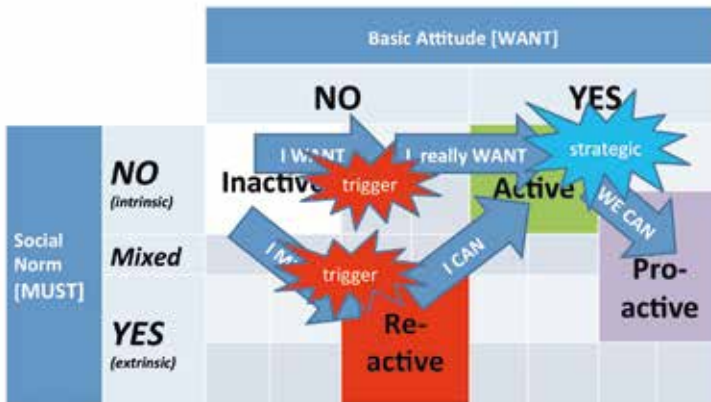
Figure 2.1 + 2.2 Transition phases in formative/location years

[1] Adolescence: want versus must



18 |

[2] Young adulthood: I/We really can



The real societal change appears in later stages. Intentions materialise into reality (Figure 2.2) under the influence of two situational factors: (a) triggering events and (b) changes in the general conditions of societies. This generational mechanism is relatively easy to understand. Many of us have experienced that our intrinsic motivations and ideals as an adolescent (for instance the job we would like to have) hardly ever materialise into reality. The requirements (education, discipline, investment) needed to become the pilot or doctor we all wanted to become when we were young discouraged many to actually pursue that dream. Personal triggering events or traumas are important stimuli to change things, however. From psychological research we know that extrinsically motivated triggers in a large number of cases do not lead to action, but to inaction (inactive) and paralysis. So either there is a very strong intrinsic motivation or another factor is at work, in this case technological development. Consequently, there are more active and more passive generations. Technological developments or the *Zeitgeist* – very often not induced by individuals – make the theoretical ‘I must’ or ‘I want’ position achievable: ‘I can’ becomes possible. Societal change appears when the attitude develops from ‘I can’ to one of ‘we can/must’. It can be expected that young entrepreneurs will be interested in change along the intrinsic motivation route in which individual and psychological triggers are important. Intrapreneurs, on the other hand, will be stimulated in particular for change via the extrinsic motivation route in which societal problems are considered unsustainable and pervasive (Chapter 3 will explore these mechanisms in more detail).

2.4 Sustainable leadership: a typology

Generational leaders are influenced by situational factors (section 2.2), individual traits and motivations (2.3). These influences make them more or less active, and more or less inclined to take responsibility with their organisations to sustainability issues. Generational characteristics affect leadership styles that in turn affect the type of organisation that the leader is able to create, its mission and value proposition, and the relationship with stakeholders and followers. The literature on sustainable leadership (Tideman et al., 2013; Van Tulder et al, 2014) also acknowledges that leaders can be intrinsically and extrinsically motivated to change the world through their business models. The literature on environmental behaviour shows furthermore that over time developments alter the appreciation of particular leadership styles: what is considered radical in an early phase of sustainability can become normal and ‘business as usual’ in a later stage. Longer term developments through technological change – combined with societal values – have a serious impact on what can be considered to be more active or more passive leadership styles (see 2.2).

Unfortunately, there is a rather diverse and fragmented literature on leadership in particular when applied to the area of sustainability. A large number of leadership styles have been introduced in the literature: transactional, charismatic, servant, moral/ethical, visionary, strategic, shared, connected, participative, integrative, thought and transformational leadership. For this exploratory paper, we can use some of these leadership categories that have been discussed in this literature to enable a first classification of leadership styles towards sustainability. It is beyond the ambition of this paper to define all these leadership styles separately⁴, but it is relatively easy to link each type of leadership to a different organisational approach on sustainability. A short elaboration of these leadership categories – some of them drawn from Wikipedia as an interactive source – can illustrate this further.

⁴ RSM has a number of professors (Van Dijke, Van Knippenberg, Van Dierendonck, Giessner) that engage in detailed research on issues of leadership. A recently started project (under the supervision of Prof. Van Tulder) is further developing theories, item scales and the like on the topic of sustainable leadership. The transition figure that is presented in this section will be validated and developed further in this research project.

A synopsis of key sustainable leadership concepts

Transactional leadership	... is also known as 'managerial leadership'. It focuses on the role of supervision, organisation, and group performance; transactional leadership is a style of leadership in which the leader promotes compliance of his/her followers through both rewards and punishments. In sustainability issues the transactional leader aims at short-term efficiency.
Transformational leadership	...in sustainability is a style of leadership in which the leader is charged with identifying the needed change to address the societal issue that goes beyond the interests of the own company or sector, creating a vision to guide the change through inspiration, and executing the change in tandem with committed members of primary and secondary stakeholders.
Servant leadership	...is a style of leadership in which the leader shares power, puts the needs of others first and helps people develop and perform as highly as possible.
Strategic leadership	...is aimed at managing change and ambiguity by not only providing a sense of direction, but also by building ownership and alignment within their workgroups to implement change.
Visionary leadership	... is often a process in which the leader develops a vision and communicates it to the project team and to the client. Visions have power to excite people and provide a common basis for all primary stakeholders.
Moral/ethical leadership	... is directed by respect for ethical beliefs and values and for the dignity and rights of others. It is thus related to concepts such as trust, honesty, consideration, charisma and fairness. Ethical leaders of organisations often derive their legitimacy from addressing an internal ethical dilemma.
Charismatic leadership	... gathers followers through dint of personality and charm, rather than any form of external power or authority. Is often portrayed as 'hero' and functions particularly well in case of a 'common enemy'.
Thought leadership	...is an individual or firm that is recognised as an authority in a specialised field, whose expertise is sought and rewarded and who can frame a discussion on a societal issue to the advantage of his own organisation.
Connected leadership	... is leadership that can bridge divides between different groups of primary and secondary stakeholders and create a common strategy for addressing particular challenge.

Transactional leadership is a type of leadership in which the basis of the relationship between leader and followers is a contract in which the exchange of rewards for efforts is arranged. It is largely efficiency oriented and aimed at 'business as usual'. If there is a clear short-term profitable business case for sustainability, these leaders will act upon it. This is the classic case in which sustainability increases profits or decreases costs. This is increasingly the case with ecological issues. But their basic attitude towards sustainability even then remains relatively inactive.

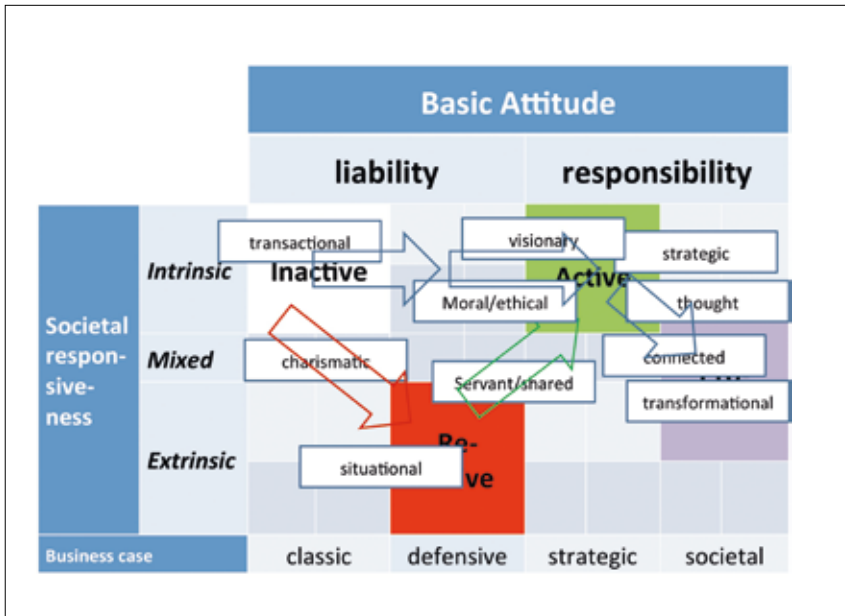
Sustainability leaders see a strategic advantage in setting a competitive business model in areas of sustainability. Sustainability leaders ground their actions in a personal ethic that reaches beyond self-interest. This qualifies them as visionary or moral leaders. Often these leaders are triggered by events which raised their awareness to become more sustainable. With younger leaders this trigger runs along the 'want' line, and is probably related to something in their younger adulthood. In case

of older generations of leaders, the triggering event is very often extrinsically induced and runs along their 'must' line (see figure 1). The want line prompts leaders to directly move from a liability orientation to a responsibility orientation. These leaders search for a strategic business case. The 'must' line first stimulates a defensive business case, aimed at limiting liabilities.

A defensive approach is better served by charismatic and situational leaders. Only when a defensive line of reasoning does not suffice does a process of internal alignment commence that requires another type of leadership. In the literature, this type of leadership is often referred to as servant, shared or integrative. The attention for participative, servant and shared leadership has increased, not least because many organisations are trying to get out of a defensive mode towards sustainability and move into a more active mode. A participative leadership style is demonstrated when a leader allows followers to contribute in decision-making process.

Transformational leadership at the other extreme occurs when a leader aims to broaden and elevate the interest of followers or employees and considers the societal challenge of sustainability as an important reason to develop radically new business models together with other stakeholders. Transformational leaders generate and create awareness and acceptance of the purposes and mission of the group and stimulate stakeholders beyond their organisation to look beyond their own self-interest for the good of the group. They understand that their success depends on structural change that goes beyond their own organisation. They become integrative or connected leaders, in which they often have to deal with opposing interests (ambidexterity). Thought leaders put a societal (sustainability) issue on the agenda and link it to their own business model. If society takes over this frame, the company can have a strategic advantage in serving this need.

Figure 2.3 Leadership styles and change trajectories



Based on Van Tulder, 2014

In the concept of shared leadership, leadership is explicitly distributed amongst a team or group of people. Sometimes leadership roles are shared by several members of a group, and sometimes allocated to an individual, but always functional to the achievement of the group or organisational goals. The individual leadership actions are less important than the collective leadership provided by the members of the group. Leadership styles can be spread over the same organisations, are often not combined in one person, and can change over time. It is very likely, therefore, that these leadership styles will be linked to generational characteristics.

Applying these leadership categories to the discourse on sustainability implies that we position these styles in the Attitude/Norm spectrum defined in section 2.3. Sustainability leadership is not only a personal attribute but relates to the organisational context. The basic attitude of the organisation towards sustainability can be translated into one of liability or responsibility, while the social norm is consequently translated into 'societal responsiveness' in which the leader of an organisation can be considered to be 'intrinsically' or 'extrinsically' motivated to deal with sustainability issues. Juxtaposing these two dimensions leads to different leadership styles that are the result of contextual and individual factors and that can be considered more or less reactive, active or proactive.

2.5 Four generations and their take on sustainability and leadership

22 |

What can we consequently expect from the four generations on the issue of sustainability? This question requires some understanding of the historical conditions and the intensity of those influences under which each generation materialised. Generations share location, which leads to a number of common frameworks and backgrounds, which lead to shared generational characteristics in particular values, motivations, attitudes and favourite types of leadership. Generations are particularly linked to societal *triggering events*, and economic, political and technological cycles in which large parts of the population went through comparable processes. Each of these generations can hold leadership positions in society, although their numbers are influenced by age and size of cohort. The generational approach should help us understand their background, the effect this has on generational characteristics and perhaps even what we can expect from them.⁵

Baby boomers

The Baby Boom generation is sometimes referred to as the Protest Generation. This generation has received by far the most attention of all generations in generational research and in popular media, and is perceived by many as the most radical and influential generation of the previous century. The Baby Boomers are the children of the highly traditional and traumatised pre-war generation (1910-1930) that experienced two World Wars and a big economic meltdown. Halfway through the 1950s, the consumer society emerged, and people slowly started to move away from their sober lifestyles and enjoy the consumption of luxury goods (de Rooy, 1986:78) like television, washing machines and motorbikes. The rise of consumerism fuelled their economic prosperity even further.

The dominant *Zeitgeist* of the 1950s was decided by the pre-war generation who were characterised by their hard work, sober lifestyle, preference for peace and order and obedience to authority (SCR, 2010). A new youth culture appeared, a sub-group of young people who differentiated themselves from the previous generation with their clothes, habits and behaviour (de Rooy, 1986:84). In most media, the young people were however accused of being lazy, limitless, violent, and without any

⁵ A more extensive characterisation of these phases can be found in Muusse (2014).

purpose in life. They were called the *'nozems'* meaning 'Dutch civilians without any morality'. Most children were still conforming to the peaceful and orderly lifestyle of their parents. Eventually, most of the nozems also became quiet and peace-minded when reaching adolescence (Naber & Knippels, 2011). Moreover, here we see already signs of what Inglehart calls 'cohort vagueness'; it is likely that the nozems also included the 18, 19 or 20 year-olds, belonging to the last cohorts of the 'lost generation'. Much of the tumult in the 1960s wasn't political. Young leaders sought mainly cultural and social renewal along the line of race relations, sexuality, women's rights and traditional authority. Other important issues that were raised by the social movements were environmental pollution, peace, empowerment and free sexuality. The subculture that this group developed was highly influenced by the American counterculture, which started in the 1950s with the African-American Civil Rights Movement, before it spread across Europe in the second half of the 1960s. This American counterculture was transmitted through Europe supported by a combination of old and new communication technologies like television, radio, magazines and new cinema.

Important international political (triggering) events in the 1960s were the Cold War, the Vietnam War, the murder of John F Kennedy and the increasing influence of communism, as alternative to capitalism, around the world. Although groups in the Netherlands, like the Provo's, de Kabouters, and internationally the Marxist-Leninist movement only existed throughout the 1960s, all sorts of new social movements like the student movement, anti-war movement, anti-nuclear movement, civil and social rise movements and the environmental movement would strengthen and flourish throughout the 1970s and some even became part of the established organisations in the 1980s (Righart, 2008:30). These new social movements that emerged in the mid-sixties are often referred to as New Social Movements.

The Baby Boomers laid the foundation for a variety of new social movements – such as the civil rights movement – and the environmental movement. As the Baby Boomers aged and joined the adult community in the 1970s and 1980s, the New Social Movements became somewhat more organised. In the Netherlands most of the social movements became institutionalised in the second half of the 1970s. This was reflected in the rise of new political parties of D66 and Nieuw Links, who profited from the political vacuum that came to existence when the socialist parties and student movements lost their popularity. According to Freeman (2014) students disappeared from the stage as the vanguard of change. After the fright of the protests in the 1960s, the establishment started to take on a co-operative attitude towards young people, social movements and protesters. This co-operative attitude meant that agreements were made about protests; some organised social movements received government funding and became discussion partners of the Dutch government with the opportunity to influence policymaking (Politiek Compendium, 2014). The protests of the 1960s had in that sense been successful, the political sphere had opened up and started to articulate popular demands and politicised issues that belonged traditionally to the private realm (Weir, 1993:88). Additionally, dissent became accepted phenomena. Protesting was no longer stigmatised as rebellious or anarchistic, but became part of modern citizenship.

To many, the Baby Boom Generation is forever associated with the 'swinging sixties' and big changes in society. The early cohorts of this generation (early boomers) are considered to have had a big impact on society while still in their adolescence. But, according to Kennedy (2007:14), most members belonging to the social and political elites of the Netherlands in the 1960s considered change already as inevitable and supported the cultural renewal proclaimed by young people.

Although they did shock older generations with their methods of protesting and rioting, both elite and young people used the same rhetoric about change and renewal. Moreover, this rhetoric about societal renewal had already caught fire amongst some elite members in the 1950s, like writers, artists, television and radio producers, and politicians.

We can therefore conclude that in the case of the Netherlands we can assume that the young people in the 1950s, mostly members of the protest generation, caused the first tumult that would lead to students protesting and raising their voice in the 1960s, who, supported by members of older generations, turned into a vanguard of change. The importance of the supportive role of elites in the Netherlands is also reflected in the institutional reforms that were introduced quickly in response to the protests, like the lowering of the voting age to 25 in 1963 and 21 in 1971 and the establishment of representative advisory bodies at universities.

Generation X, a lost generation?

24 | Generation X was born between 1956 and 1970 as children of mostly Baby Boomers. They are referred to as the 'lost generation' because of the difficult economical setback they experienced while reaching adulthood (Bontekoning, 2014:38). In movies and magazines children were portrayed as troublemakers and a burden. Additionally, divorce rates exploded. According to Strauss & Howe (1991) divorce hit Generation X harder than any other children in U.S history. The growth rate of Western economies started to decline in the late 1960s and the beginning of the 1970s (Eklund, 2007). The oil crisis had begun and was soon followed by a stock market crisis. A recession was set in motion throughout much of Europe and the United States. New problems arose like energy shortages, high inflation and high unemployment. Industrial production fell on average 14 per cent, due to unemployment and inflation. The recession diminished the dominant position of the United States economy on the global stage. Unemployment and the debt and loans crisis lasted until halfway through the 1980s (Rogoff, 1991).

The industrial society slowly changed into an information society. The driving force of this new technological paradigm had already emerged in the 1950s with the invention of the computer. Economic growth would increasingly be defined by growth in the information sector. The knowledge economy is a part of the concept of the information society, meaning that the majority of occupations are found in information work. The information society also changed our perceptions of organisation and space and time as information networks have become predominant features of social organisation and constraints of the clock and distance have been radically relieved (Webster, 2006).

The world that the lost generation faced wasn't very promising. Graduates had difficulties finding a job, and many of them continued their studies in reaction to high unemployment. Having experienced broken households themselves, Generation X members would later become highly motivated to make their marriages work and spend more time with their children than their parents did. According to Becker, the tough economic circumstances during their early adulthood caused the lost generation to benefit relatively less from the economic recovery in the second half of the 1980s and the 1990s (Becker, 1992). More recent research however shows that this has not been the case and Generation X is now even more successful in terms of education level, income and job position than the Baby Boom Generation (Bontekoning, 2014).

The serious threat of a nuclear war and increased awareness of environmental issues did not make the world a promising place for a generation who had just entered young adulthood either. According to McGregor they were the first generation to feel the full impact of modernity's negative side effects (2008:3). Most young adults responded to these circumstances by either taking on jobs for which they were over-qualified, or by postponing their careers by continuing studying. Although they did not respond to these social circumstances with the same level of activism as their parents did, some of the biggest protests in Dutch history were nevertheless organised in the 1980s.

The realistic and sometimes pessimistic outlook of this generation is also noticeable in their reaction when being confronted with big issues, for example environmental problems. According to Ritchie (2002), many members of Generation X think that environmental problems are too large and too complex for an individual to deal with. Many do not feel empowered to make an impact. Members of Generation X are also more likely to value actions with the goal to 'do no harm' instead of 'doing good'. Although there were concerns that the early setback that this generation experienced in their young adulthood would have lasting effects, studies show that Generation X is thriving better than previous generations in terms of education, income and job positions.

Fortunately, the recession of the late 1970s and early 1980s did not last long. It ended in 1982-1983. In the Netherlands, the economy grew bigger after three years of recession than it ever was before, and continued to grow throughout the second half of the 1980s and the 1990s. As discussed earlier, the Lost Generation suffered from the economic turmoil in the 1970s and beginning of the 1980s. The Baby Boomers however, who were between 30 and 40 years old in the 1980s, suffered less from the transition phase because most of them were now occupying jobs that provided steady incomes. Additionally, the new industries emerging from personal computers and other information technologies sparked another career opportunity for the Baby Boom Generation. For years to come the Baby Boomers would take over leadership positions in business and society and hold on tight to them, making it difficult for other generations to acquire influence and leave their mark. Despite the economic turmoil, the Baby Boom Generation still expected the lifestyle they had experienced in the 1950 and 1960s, even if this meant spending whatever they earned and borrowed to achieve this (Schewe et al., 2000). Loyalty, hard work, hierarchy and chains of command, trustworthiness, persuasiveness and visionary would characterise their leadership.

Pragmatic generation

According to some scholars the children belonging to the birth cohort 1971-1981 of the Baby Boomers should be considered as a distinct generation within Generation X: the Pragmatic Generation, sometimes also referred to as the 'Silent Generation' or the 'late Generation X'. Their parents, most often (late) Baby Boomers, raised their children with endless possibilities, opportunities and freedom. Self-development and joy of life were considered to be more important than discipline and hard work. The Pragmatic Generation experienced the difficult economic circumstances of the 1970s and beginning of the 1980s during their childhood. However, when reaching adolescence the economy had recovered and would remain prosperous throughout the second half of the 1980s and the 1990s. The prosperous economy, job opportunities, increasing educational level of women and the breakthrough of information technology stimulated an optimistic outlook on life amongst the members of this generation. Their focus on pragmatism and achieving concrete results could be explained, according to Bontekoning (2014), as a reaction to the idealism of their Baby Boom parents or their experience with the business-like context of the 1980s and 1990s.

The Pragmatic Generation experienced adolescence in the transition phase between the late downswing of the economic depression of the early 1980s and the upswing of a new growth era in the second half of that decade. This generation experienced their first crisis halfway through their twenties around the year 2000, and the second crisis in their thirties: the current crisis that started in 2008/9. In politics, a new vision of the economy became dominant in the 1980s; after years of Keynesian policy it was time for a new era of cuts in government expenditure, privatisation and tax cuts: monetarism started to reign, exemplified by the political leadership of Reagan in the USA and Thatcher in the UK. In the 1980s the activism of the New Social Movements of the 1960s and 1970s had worn out. In contrast to the idealism their parents expressed in the 1960s, late Generation X members became realists. The world did not seem very promising to them and acceptance and hard work seemed to be the only way to deal with that. Many continued studying or accepted jobs below their educational level and postponed decisions like living on their own and starting families. Other issues besides the economy and labour market that influenced the worldview of this generation in their young adulthood were the threat of a nuclear war and environmental issues like acid rain and damage to the ozone layer.

26 | But the fall of the Berlin Wall in 1989, the following collapse of the Soviet Union and the growing liberalisation of the world economy had ended the big ideological tension between communism and capitalism that had kept the world divided since the end of the Second World War. Capitalism had triumphed, which made it much more acceptable to reason within the boundaries of the capitalist system. The Pragmatic Generation grew up in an increasingly capitalist world in which countries liberalised and opened up. This trend was further reinforced by the creation of the World Trade Organisation, with the mandate to enhance global trade. However, the trench lines would gradually shift from ideology to civilisation (Huntington, 1993). In the Netherlands the discourse about immigrants and integration became a hot political topic and raised public concern from the turn of the century.

From a technological perspective, the 1990's are marked by the explosive growth of the personal computer industry and other electronics, as well as the developments in space exploration. Consumerism and status-seeking became more important values than in previous decades; buying on credit became a way of life, reflected by the introduction of Forbes 400 list of America's richest people and icons like Donald Trump. The Pragmatic Generation was highly influenced by the developments of commercial TV and consumerism in the 1980s as well; they are said to be very sensitive to brands and media (Bontekoning, 2014). Members of the Pragmatic Generation were children when personal computers were introduced and young adolescents when the Internet took hold, some of them experienced the bankruptcy of their first internet companies during the Internet bubble.

The environmental movement started to institutionalise in the 1980s and 1990s. Organisations became more professional. Except for a few, most environmental organisations sought discrete and incremental change, defending old gains and achieving new ones by applying traditional insider political strategies (Coglianese, 2001:87). Instead of aiming for broad legislative reform, environmentalists fought in court to maintain past victories on specific legislations or to penalise companies who violated environmental rights. Environmentalism lost the radical and countercultural meaning it used to have in the 1960s and 1970s, and became part of the establishment. Also, environmentalism lost its connection with intergenerational conflicts; environmental concerns

were not about young people or students opposing their elders, everyone, regardless of age or degree, raised environmental concerns. Instead of being carried by activists, environmentalism had now become the domain of specialists, scientists, lawyers and policy makers. Additionally, they employed fundraisers, marketing and communication specialists and consultants. Some environmental organisations, like the World Wide Fund for Nature (WWF) or Greenpeace, grew out to be highly professionalised and influential organisations, representing millions of members worldwide. From an institutional point of view this new approach was very successful and caused major transformations in legislation concerning pollution, water and air quality and resource depletion. However, the environmental movement started to lose public interest, which made it more difficult to move the environmental agenda forward (Coglianese, 2001:91).

Generation Y

There are many names given to the birth cohort of people born either halfway through the 1980s or in the 1990s as the children from mainly Baby Boomers and Generation X: Generation Y, Millennials (Strauss & Howe, 2009), the Nexters (Zemke et al, 2000), the Next Generation (Tapscott, 1998) or the Einstein Generation (Boschma & Groen, 2006). Depending on the boundaries, the number of people belonging to Generation Y is estimated to be 25 per cent of the world population, which makes them the biggest birth cohort at the moment, outnumbering even Generation X and the Baby Boom Generation (Johnson Controls, 2010).

Where the 1980s were about restoring the economy and big political gestures, the 1990s were about deeper movements in society and culture (Jacques, 1994). Key characteristics of this decade became globalisation, the rise of East Asia and social themes like insecurity and community. The global economy flourished throughout the 1990s. There was a strong increase in double-income households, which increased peoples' spending capacity. Although the global economy flourished in some countries, emerging industrialised countries experienced one financial crisis after the other. Large inflows of short-term foreign capital had made them vulnerable, resulting in the collapse of their national currencies, for example the Mexican peso and Brazilian real.

In many countries themes like insecurity, civil society and national identity became important topics in the political and cultural discourse. Traditional structures like the family and local community started to decline, driven by globalisation and increased competition in all areas of society. Additionally, digital technology developed at a revolutionary speed, introducing mobile cell phones, mp3 players, and the World Wide Web. The Internet caused a revolution in the entire communication infrastructure, leading to the emergence of worldwide information highways. However, the main economic effect was the decrease of transaction costs in the entire economy, and the emergence of the new (networking) forms of the organisation of production

In the 1990s the public support for the environmental movement started to decline as well. Environmental protection had become a consensus issue; though the general public agreed on the necessity of environmental protection, it wasn't perceived as one of the biggest political concerns any longer. Another reason for the decreasing public interest was that the environmental movement experienced a big internal division in the 1990s, not only within their own ranks but also because of outsiders (companies, political parties, unions) who began to espouse green values. Initiatives in the early nineties like the World Business Council for Sustainable Development and the Business Charter for Sustainable Development were the first signs of business taking environmental challenges

seriously (Wilson, 2003). The reframing of 'environmentalism' to 'sustainable development' stimulated this; the latter is more accessible and can therefore be broadly applied. Additionally, the number of local grassroots groups rose substantially. Though many civilians remained members of national organisations, action was taken on a local level. As a consequence, 'a coherent vision on a common environmental good is lacking which makes it more difficult to generate sustained public support for government to achieve it' (Coglianese, 2001).

The Internet Bubble or dot com bubble was the result of the explosive commercial growth of the Internet between 1997 and 2000, which caused stock prices to rise to extremes and finally burst in 2000. The Internet Bubble caused a slight recession in Western countries that would last longer than expected. In the Netherlands the recession was reinforced with the introduction of the euro in the same year as the Internet bubble and reforms in the Dutch tax system (Nationaal Archief, 2014).

28 | An important aspect in the childhood of Generation Y was the specific upbringing they received from their parents. The Baby Boomers and Generation X spend a lot of time with and money on their children compared to previous generations. Although a lot of the children of Generation Y were raised in double income families or by single parents, many parents were committed to balance their work and family life for the sake of their children. Children and teens would also increasingly become a very important target group for marketers in the 1980s and 1990s. In combination with the economic prosperity of those two decades, Generation Y children were brought up in a world of endless consumer choice. Generation Y is also the first generation that socialised while experimenting with digital technologies. Particularly for members of Generation Y born in the late 80s and 90s, technology has played a fundamental component in their lives. Although some experienced the introduction of the first personal computer by IBM at the beginning of the eighties, computers are commonplace within their lives. During their childhood most of them experienced the introduction of the interactive TV, streaming and MP3s and DVDs. Some scholars call Generation Y therefore the inhabitants of the viral world. Their early access to technology has assisted Generation Y to become the first globally aware generation. Physical barriers are no constraint to Generation Y meeting, interacting and organising with other young people all over the world. Mobile phones are a necessity to experience everyday life. Generation Y has developed a desire to access information at all times and stay connected, wired and plugged in to the digital world 24/7. According to research, on average members of Generation Y switch between Smartphone, laptop and tablet about 27 times per hour (Jarales, Chair, Compiler, 2013:66). A survey revealed that one of every three believes the Internet to be as important as air, water, food and shelter (Jarales, Chair, Compiler, 2013:67).

The first years of the first decade of the 21st century continued with the economic prosperity of the 1990s. The growth rates and changes of the previous two decades had altered the landscape of the global economy. The Internet caused a significant drop in transportation and communication costs which made the world a much more open place. Moreover, tariffs and other barriers to international trade were further reduced. The increased openness during the end of twentieth century resulted in greatly intensified international trade. While agriculture lost importance in the international trade flows, services made up 20 per cent of the international trade flows by 2004. Additionally, the international financial market had become more complex and interdependent based on advanced global computer networks that could support international transactions at lightning speed.

In 2008 the credit and financial crisis resulted in a global recession as worse as the Great Depression in 1930. The situation for the youth is even more dramatic. About 5 million young EU citizens, a fifth of the under 25 population, is currently unemployed. In the Netherlands 16 per cent of young people are currently unemployed. Some fear that Generation Y might become a new lost generation considering the high numbers of unemployment, high debts and no savings (Williams, 2013). Many Generation Y members are postponing decisions like buying a house or a car in response to the difficult circumstances, and many have moved back to their parents or are financially dependent on their elders (Eckert & Deal, 2012:25). Meanwhile, in some countries, measures reforming social welfare, like postponing the age of retirement or introducing student loans instead of subsidies, weaken the position of young people even more. Generation X already experienced that job security doesn't really exist in a rapidly changing world. For most of Generation Y and the generations after them, reality will be that they are being educated and prepared for jobs that do not yet exist, in which they will use technologies not yet invented, to solve problems we do not yet know. Many of the latest most popular job titles, like social media manager or community manager, did not exist 5 to 10 years ago and this trend will only continue to accelerate. How Generation Y is going to deal with this highly insecure future is not clear yet. Some research shows an increased pessimism amongst young people, while others have measured a steady positivism about future outlooks. Nevertheless, education and having a diploma remains highly important to Generation Y. Moreover, the economic crisis stimulates young people to continue studying until the labour market improves (Deloitte, 2011). At the same time, more young people than ever are setting up their own businesses.

The start of the 21st century presents an interesting period for the environmental movement with an extensive increase in local grass root movements, new concepts like corporate social responsibility (CSR) and sustainable development and the emergence of consumer movements, social entrepreneurship, or urban ecologists. During that time the meaning of environmentalism and environmental groups has radically changed. Although, traditional environmental organisations still exist and remain influential, new groups have also appeared in the environmental discourse: big companies active in sustainability, sustainable entrepreneurs, leaders of grass root movements and consumer movements. In addition to the well-known 'Triple Bottom Line' model (Elkington, 1998), new entrepreneurs are experimenting with are One Planet, Pathways to Zero, the Base of the Pyramid Model, Cradle to Cradle, and more in general, the Circular Economy. A new phase in environmentalism has emerged with the emphasis on practical solutions and positivity.

2.6 What can we expect from each generation on the issue of sustainability?

Section 2.5 briefly described some of the factors that influenced the characteristics and leadership style of four different post-war generations. So called 'generational location' factors influenced generational characteristics through (1) economic developments, (2) social, (3) political, (4) cultural, and (5) technological change. Depending on the period, the importance of each of these factors can be greater or smaller. If one of these factors remains more or less the same, they do not function as a triggering event. Table 2.1 summarises the most important location factors per generation that can be considered to have influenced these generations in a decisive way. The effects of these location factors can be summarised in three types of generational characteristics: values, attitude and leadership style.⁶

⁶ Please read Muusse, 2014 for a more detailed account and explanation of each characteristic.

Table 2.1 the impact of generational location on generational characteristics

Generation	Generational location and triggering events	➔ Generational characteristics
<p>Generation Y</p>	<p>Economy: Economic prosperity, unprecedented growth of the Dutch economy, good labour market, on-going liberalisation (00s) introduction of the euro, one global financial market, emerging economies (China, India, Brazil).</p> <p>Social: network society, weakened nation state and perceived democracy, rise of consumerism in developing countries, critique on the emptiness and shallowness of consumerism, climate summits (00s) debate about multiculturalism, terrorism, environmental disasters, public health concerns.</p> <p>Culture: big entertainment industry, teen stars, teen pop, electronic dance music, gangster rap, sitcoms (TV series).</p>	<p>Values: authenticity, confidence, diversity, transparency, fastness, instant gratification, personal connections, tolerance, justice, coaching, fun, creativity, equality.</p> <p>Attitudes: Attitude: self-confident, open-minded, optimistic, self-reliant, and individualistic but also the need to be connected with others, civic-minded, critical, flexible, multi-tasking, life-long-learners, hands-on, practical.</p> <p>Leadership: team-orientated, balanced, collaborative decision making, focussed on peers. Likely to value transformative leaders and skills like determination, the ability to pull people together, coaching, transparency. Authority is not naturally given, but should be earned. Not adverse to hierarchy, trust central authority more than previous generations.</p>
<p>Pragmatic Generation</p>	<p>Economy: 70s global economic downfall starting in 1973 (oil crisis), 1974 (stock market crash), 80s starts off with a recession, national debt, unemployment (1981-1982), second half of the eighties economic recovery (90s) economic prosperity, unprecedented growth of the Dutch economy, good labour market, globalisation, ongoing liberalisation, (00s) dot com bubble, small recession.</p> <p>Societal: 70s - 80s institutionalised new social movements, beginning of information society, globalisation, formation of European Union, dominance United States in culture, global economy and politics, (90s) emergence of an information/network society, identity crisis, rise of consumerism in developing countries,</p> <p>Culture: (80s - 90s): big entertainment industry, commercial TV, computer games, teen stars, teen pop, R&B, electronic dance music, gangster rap, sitcoms (TV series), grunge (alternative rock, hard-core punk, heavy metal).</p>	<p>Values: fast, pragmatic, concrete, rationality, interactive, commercial, personal development, ambition, competition, 'being yourself', independent, optimistic, hardly any traditional (Dutch) values, international orientated, networking, technology, diversity, professionalism.</p> <p>Attitude: pragmatic, realistic, rational, critical, individualistic and social, networkers, easy-going, independent, open, direct, adaptive, focussed on learning and personal development, want to know what they're supporting</p> <p>Leadership: <i>Authority</i> should be earned through knowledge, skills, and professionalism short term results, long term vision, interactive communication.</p>

Generation	Generational location and triggering events	➔	Generational characteristics
Generation X	<p>Economy: 60s prosperous economy 70s global economic downfall starting in 1973 (oil crisis), 1974 (stock market crash), 80s starts off with a recession, national debt, unemployment (1981-1982), second half of the eighties economic recovery.</p> <p>Social: 60s social unrest, new social movements, youth culture, individual expression and new acquired liberties, 70s -80s institutionalised new social movements, beginning of information society, globalisation, formation of European Union, dominance of United States in culture, global economy and politics, slackers and yuppies, protests against youth unemployment and nuclear threat.</p> <p>Technology: new information technologies, cable TV, computer technology (the personal computer), CD, video games, the mobile phone and space exploration.</p>	➔	<p>Values: modesty, autonomy, independent, self-reliance, diversity, cooperation, informal, nostalgic, family life, little deference to authority, pragmatic, relativism.</p> <p>Attitude: like technology, value a healthy balance between work and the personal, reject authority and rules by avoidance or adaptation but with silent disagreement, less visible, outspoken and driven than the Baby Boom Generation, approachable, patient, sometimes cynical, realistic and modest outlook on life, not strongly advocating, not strongly opposing</p> <p>Leadership: connecting, good listeners and coaching skills, focused on teamwork and team accomplishments, balanced, not impressed by authority.</p>
Baby Boom Generation	<p>Economy: Great economic prosperity and emergence of consumerism during childhood and beginning of adolescence (50s & 60s), end of economic boom during end of adolescence and beginning of adulthood (70s).</p> <p>Social: education became more accessible, emergence of youth cultures and student movements, beginning of secularisation and lifting of religious, political barriers (50s), new social movements, social unrest and protesting (60s)</p> <p>Culture: counter culture, hippie culture, Rock & Roll music</p>	➔	<p>Values: Self-fulfilment, ambition, status, hedonism, empowerment, identity, pluralism, diversity, democracy, idealism, spontaneity.</p> <p>Attitude: rhetoric, consensus, majority vote, strong leadership and steering, sensitive to feedback and critique (now).</p> <p>Leadership: Authoritative, controlling, supervising, competitive, hard-working but human and loyal leaders. Political animals. Difficulties delegating, process ahead of result, consensus in decision-making.</p>

The overview shows the importance of economic and political factors as triggering events. In each history of a particular generation, major economic and political change happened. Each generation has been particularly heavily influenced by economic and social conditions. The Pragmatic Generation and Generation Y are more familiar with economic turmoil than previous generations. Generation X and Y have been faced with more fundamental technological change than other generations. No two generations have therefore been influenced by technological triggers in the same way, because change in the leading technological paradigm often takes longer than economic or political change. Technological paradigms in the past fifty years changed twice, from the electronic age to the internet and information technology age of today. Political triggering events happen all the time, but over the past fifty years only a few can be considered really influential: the fall of the Berlin

Wall that influenced the Pragmatic Generation; and Generation Y mostly created a world in which capitalism triumphed and globalisation became the dominant frame.

Culture provides a more fickle ground for change and is often more the result and the expression of deeper social and economic changes than an independent factor that influences the attitude and values of new specific generations. The Baby Boomers were influenced by education, growing democracy and freedom in a world that was nevertheless dominated by strong ideological tensions. Generation X had much better and freer education, but was also confronted with a first major economic crisis. The Pragmatic Generation faced the (perceived) end of many ideological controversies and unparalleled wealth, but also was faced with the growing pains of the internet society (dot-com bubble). Generation Y, finally, experiences almost unlimited technological possibilities in an increasingly interconnected world, but also faces the negative consequences of the clash between the new economy and the old economy in which financial crises appear, ecological crises are increasingly becoming a reality, and in which they are the first generation that might fear being worse off than their parents (in the industrialised countries). Throughout most of this period the topic of sustainability became more structural and systemic in nature. But whereas Generation X faced limitations to growth related to the extraction of oil (Club of Rome) that turned out to be less critical at that time than expected, members of Generation Y now face a larger number of mutually reinforcing systemic crises that provides them with a stronger motivation to take up responsibility.

32 | These factors result in different leadership profiles, in general and for sustainability in particular. The descriptions of key characteristics of each post-war generation in Section 2.4 showed the importance of triggering events (crises, geopolitical developments), but also the influence of technological developments. The Baby Boomers experienced and shaped the era in which petrochemicals, cars and electricity (1945 and 1995) provided the dominant framework in which to think about technological solutions to societal challenges. This paradigm is clearly over its peak, and is generally considered to be non-sustainable. That it remains important nevertheless is because of the sunk costs involved in its implementation, but also in the support it still gets from the generations that linked their power base and leadership claims to these technologies. The Baby Boomers are clearly most attached to this model. Even the leaders in this generation that see the limitation of the model (pollution, social inequality) will try to establish a slow transition. Generation X representatives that were able to become leaders have also adapted to this paradigm, but can be considered to be more critical and more susceptible to societal unrest around the negative consequences of the old paradigm. They are inclined to be responsive to sustainability concerns, but mostly within the existing organisational structures of society. The new techno-economical paradigm of the information age emerged since 1995 with the coming of age of electronics, computers, integrated networks (Internet), new materials and the like. The basic technologies of the information age have been facilitated by Generation X, developed and further shaped by the Pragmatic Generation, and are now adapted and rapidly diffused by Generation Y.

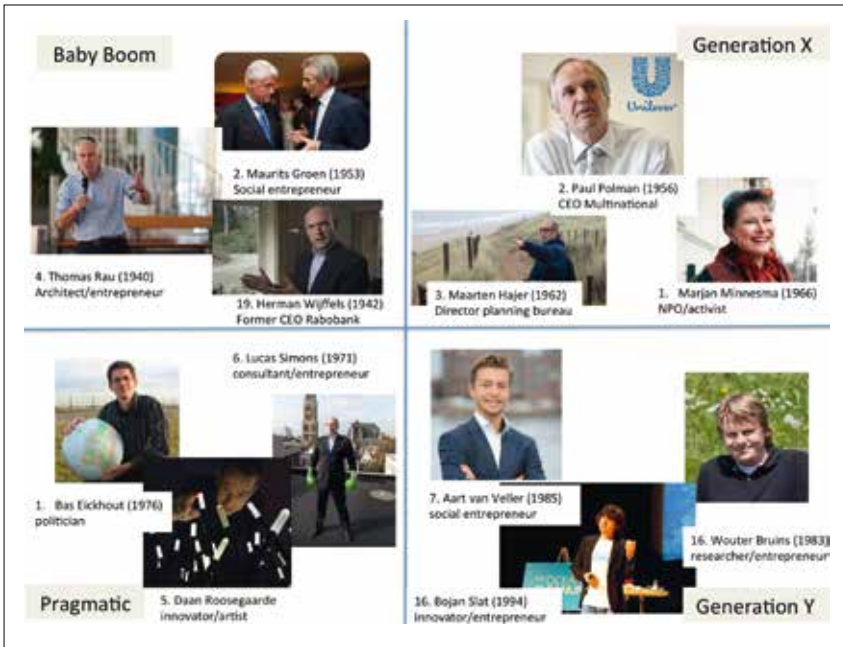
2.7 Conclusion: what can we expect for the Dutch sustainability discourse?

If we know which generation prevails in the Dutch discourse on sustainability, we can finally make an assessment on what type of leadership is prevailing at the moment and better anticipate what type of solutions are going to prevail and by what type of leaders. To check for the factual impact of

sustainability leaders upon the Dutch discourse, the annual publication of the Trouw 'Sustainable 100' list provides an appropriate benchmark. This list is compiled by a leading Dutch newspaper on the basis of an assessment by a specialised committee – with input from the public – on which people in the Netherlands have had the greatest impact in the area of sustainability in that year. This influence can be based on a large number of activities: sustainability innovations, research, activism, political statements, business models, representation in powerful national institutions, novel initiatives and the like. The list thus represents the broadest possible selection of leadership styles. No type of leadership is excluded beforehand.

The Trouw list has been published annually since 2009. Its selection methodology changed from 2013 to 2014 – which created a number of biases and comparison difficulties. So we used both years to list the most recent top 50 leaders. There are 25 sustainable leaders who have managed to sustain their position, but for each year 25 leaders entered and exited the list. The total sample of sustainable leaders over the two years thus amounted to a total of 75. For this sample we checked their generational origins. The representatives of Generation X dominate both lists, with approximately half the leaders in each list. In 2013 the cohort of the Baby Boom Generation (with 9 entries) still outnumbered the representatives of the Pragmatic Generation (with 8 entries). But the leaders of the Pragmatic Generation make relatively rapid inroads on the top 10 positions in the list, whereas most representatives of the Baby Boom Generation are on the retreat. To illustrate this, in 2009 – the first year of the publication of the ranking – places 1-3 were all Baby Boomers (with Herman Wijffels, former Rabobank Director and SER chair) on top. In 2014 only one new representative is left. Both persons are active entrepreneurs. Both the Pragmatic and the Baby Boom Generation show the least volatility in their representation with around two-thirds of the selected leaders in 2013 retaining their leading position in the next year. This is around 40 per cent for Generation X and around one-third for Generation Y. Both generations, thus, show greater volatility in their representation in the discourse. The leaders of Generation Y that reached the list occupy a relatively marginal position (6 per cent of the total). Most of these leaders have earned their position as social entrepreneurs with an invention that promises to be an answer to a big societal problem – such as the plastic soup innovation that earned Bojan Slat a high entry on the list in 2014.

Exemplary Sustainable Leaders in the Netherlands 2013-2014 (ranking)



Source: *Trouw Duurzame 100, 2013-2014*

Even if we correct for the relative size of each generational cohort (and the varying birth years that they represent), Generation X is still leading in the discourse on sustainability. They are mostly related to relatively large institutions: either as CEOs of big companies that have managed to become leading in the prestigious Dow Jones Sustainability Index (Polman of Unilever and Siebesma of DSM) or as director of a Planning Bureau and/or as established academics. Academic Generation X leaders have become influential not necessarily as a result of their academic work, but primarily because of a more activist route or because of their links with established institutes like the Planning Bureau or the Social Economic Council. Prof. Jan Rotmans for instance co-founded the influential foundation Urgenda and consequently helped Marjan Minnesma (as the director of Urgenda) to become opinion leader in the Dutch sustainability discussion. The Pragmatic Generation is slowly gaining in importance, in particular through the political circuit (Eickhout, Thieme, and Ouwehand) much more than in any of the other generations. In previous years, ministers ranked prominently on the list, but recently their position has been weakened – a sign of relatively passive government policies on sustainability. Most of the discourse and leadership on sustainability in the Netherlands is dominated by national and ecological issues.

What can we expect from each of these generations in terms of leadership style? Baby Boomers – according to the literature – are inclined to strive for more authoritative, controlling and supervision leadership styles. Values like competition and hard work are common. Baby Boomers strive for consensus, but have difficulty in delegating. On the subject of sustainability, most Baby Boomers

will try to align old industries with new industries, for which they try to create modest transition trajectories. They tend to be relatively inactive towards enhancing sustainability themselves, or are primarily extrinsically motivated to do so.

Generation X leaders have often developed into good listeners, focused on teamwork and team accomplishments. They are much less impressed by authority than the Baby Boomers and try to connect and coach others. In terms of sustainability, however, they are more susceptible to the downsides of existing models. But because they have managed to get a leading position in society, against the original odds, they will be relatively reactive and use their leadership to bring different opinions together during crises.

The Pragmatic Generation adds other leadership styles to this. They are more active, because they earned their authority through knowledge (in particular of the new technological paradigm linked to the internet revolution) and are most professional in this regard. Because they made the transition to the internet society possible, they have a longer term vision, but go for short term results. They are active in seizing the individual opportunities of the internet revolution by defining new business models.

The young leaders of Generation Y are more team-oriented, into collaborative decision-making, entrepreneurial (because of more limited job opportunities in existing big corporations and organisations) and because of the connected world they grew up in, more technologically sophisticated and peer-oriented.

What type of leadership can we expect from each of these generations on the issue of sustainability and what will be their source of influence? Table 2.2 provides an overview of the kind of response to the present sustainability we can expect from each generation, the expected type of leadership that frontrunners and leaders of these generations will prefer, and the type of influence they are likely to have.

Table 2.2 What sustainability leadership and influence can be expected from each generation?

Generation	Expected response to sustainability challenge	Expected leadership style on sustainability	Influence in society
Generation Y	Intuitive response	Basic Attitude: active	Formal: none to little
	Collective actions /movements with short term, visible gratification	Transformative, Inclusive, Transparent, Shared Servant Leadership	Entering the workforce en masse
	Local, grass-root movement & community-building	Combined with Thought and Authentic Leadership	Increasingly important consumer group
	Social/ sustainable	Informal leadership	Not holding formal leadership positions yet but power is moving down in age
	Entrepreneurship		New generation entrepreneurs, community leaders
	Multiple, but balanced careers		Leading in topics like social media, social networking
	Informal leadership within organisations		Big generation in numbers.
	Positive, optimistic approach		
	Not accepting economic, social, cultural, political circumstances and pursuing change		
Pragmatic Generation	Rational, analytical response (could strengthen intuitive Generation Y)	Basic Attitude: Active	Formal: little formal influence in society
	Tendency to adapt to older systems within organisations, but also willing to leave and start their own (entrepreneurial)	Strategic, Visionary, Thought, Ambidextrous, Connected Leadership	Small birth cohort.
	Action most expected from lower-educated but highly practical and smart doers.		
	Have initiative and good ideas, but have also experienced a blockade by older generations		

Generation	Expected response to sustainability challenge	Expected leadership style on sustainability	Influence in society
Generation X	Seeking for balanced, solutions Co-operation, shared responsibilities and results No idealistic far sights, but whatever works Technological solutions Relativism, humour	Basic Attitude: Reactive Moral, Ethical, Servant, Situational Leadership	Formal: Have taken over formal leadership positions in business, government, and society from the Baby Boom Generation. Parents of Generation Y. Important social roles: Teachers, parents, home owners, tax payers. Small birth cohort
Baby Boom Generation	Uncomfortable with confrontations; fight or flight Fight: Vital, visionary Baby Boomers will support and mentor the new generation, join vanguard of change, use their network, political skills to have influence Flight: Big portion of the Baby Boomers retires, loses influences and plays no role in what is to them a 'new world'	Basic Attitude: Inactive or Active Transactional, charismatic, authentic, thought leadership	Formal: Have delegated most formal top leadership positions in business, government and society to Generation X; Still highly active and powerful as thought or informal, leaders in politics, supervisory boards; Retirement en masse puts pressure on social welfare system; Large birth cohort

Different generations breed different leaders. If the leadership logic is mechanistically applied we can expect primarily reactive attitudes from Generation X leaders and a much more active attitude from the Pragmatic Generation. Individual traits can of course differ per leader and further research is certainly needed in this area. But if the generational logic works, leaders develop their attitudes, motivations and leadership style not only as a result of their own upbringing, but their position is dependent upon the acceptance of their leadership style by their followers. Because most followers are Generation X at the moment, those leaders that fit into their frame will probably have the most success and will be ranked high in lists like the Trouw Sustainable 100. Can reaction and activism, based on moral and ethical leadership, bring about the change needed to make the Netherlands sustainable? This can be questioned. The fear is with this type of leadership that the change remains relatively limited, primarily technology driven solutions will be sought, through consensus based negotiations, which leave the hindrance to the power of vested interests intact and can force real alternatives to niche strategies. More pervasive change appears when leaders are able to actively develop alternatives. We can expect that from the Pragmatic Generation more than from Generation X (or the Baby Boomers). In the Netherlands the sustainability leaders of the Pragmatic Generation seem also interested in actively influencing the political discourse (for instance in Europe). They are less representative of big corporations and other vested interests. What seems to prevail in Generation Y is a more entrepreneurial and more active and systemic approach; they seem to be

willing to adopt to the sustainability challenge. But what is also clear is that they have no formal sources of influence yet (other than through being a consumer and perhaps a thought leader).

Who will prevail in the short run in this clash of leadership styles and interests? That remains difficult to assess. Each generation will influence the outcome and it is not clear what factor will prevail. A vital part of this answer, however, depends on the particular track that will be adopted by the leaders of Generation Y. Furthermore, one can expect the dominant type of leadership and influence to still come primarily from Generation X. They still hold the leading positions in society and thus define either the facilitating powers or the hindrance powers for new generations to mature. Consequently, Generation Y has three types of strategies at its disposal: (1) go it alone as entrepreneurs, but with the risk of developing primarily niche strategies, (2) work from within big and established organisations as intrapreneurs with the risk of becoming institutionalised and (3) create coalitions with some of the older generations. It remains to be seen whether coalitions with the Pragmatic Generation or Generation X are better. The next chapter will explore what distinguishes young Dutch intrapreneurs from young entrepreneurs and how they look at the above issues.



3. INTRAPRENEURS OR ENTREPRENEURS OF GENERATION Y: DO THEY DIFFER?

RESULTS OF AN EXPLORATORY STUDY

Talitha Muusse MScBA
The Punchy Pack

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3.1 Introduction: in search of sustainable entrepreneurship?

The previous chapter argued that there are good reasons to believe that generations matter. Young generations can bring about pressure for change, because they are able and willing to take more risk, embrace the latest technologies in a different manner and in general have a different way of looking at society. It was argued that this effect is however influenced by triggering effects, societal and technological developments and the dynamics of intergenerational clashes. The young generation at the moment is Generation Y (born between 1982 and 2002). They are in their mid-twenties and early thirties and distinguish themselves from previous generations on the issue of sustainability through a more entrepreneurial approach (Chapter 2 explained this). Young leaders can thereby choose two basic routes to enhance sustainability: (1) to get engaged in sustainability as independent entrepreneurs and (2) to change existing companies from within, as intrapreneurs.

Scientific interest in the role of younger generations as leaders has not yet reached mainstream research. There is some general literature that discusses the impact of a new generation entering the workforce. Some studies have researched the perceptions, values, attitudes and lifestyle of Generation Y, although mainly approached from a marketing perspective. Even scarcer is research that explores where this generation positions itself with regards to environmental and social issues and how this affects the leadership they will portray as professional practitioners or entrepreneurs (Dulin, 2008; Heather, Cohen & Warner, 2004). Moreover, an attempt to predict under which circumstances the sustainability efforts of this new generation of leaders will succeed and how the future of sustainability will solidify has not been made. Interestingly, some big consultancy firms and

marketing bureaus have taken the initiative in performing large scale research on the perceptions of Generation Y about sustainability topics and leadership, for example in the UK by the SKY Future Leaders Study (2011) and more recently by Deloitte with their Millennial Report (2014). The scientific literature on this topic is falling behind.

This chapter tries to fill a part of that gap. It reports an exploratory study on the individual, situational and generational drivers of young entrepreneurs. How can we make sense of the emergence of young leaders in the Netherlands that differentiate themselves with sustainability leadership? The narratives of 19 young leaders (intrapreneurs and entrepreneurs) were collected to get first answers to their drivers, hopes and expectations. What drives these young people to be active in the field of sustainability? What are their hopes and fears concerning the future? What can we expect from them in terms of leadership? And how do they feel about the ability of the younger generation to make a difference within society? This chapter first explains the distinction between intrapreneurs and entrepreneurs (3.2), before explaining the sampling techniques used for the exploratory research (3.3). Further sections report on the first general findings that apply to the whole group of Generation Y leaders (3.4), after which distinctive characteristics for entrepreneurs and intrapreneurs are considered and explained (3.5). The conclusion provides an assessment of what we can expect from the young leaders of Generation Y as change agents for sustainability.

3.2 Intrapreneurs versus entrepreneurs

In sustainability areas, an entrepreneur is someone who attempts to combine the environmental, economic and social components of sustainability as prime motivation to set-up an independent business. Within sustainable entrepreneurship, 'eco-preneurship' can be identified as a distinct form. According to Isaak, an eco-entrepreneur is *'a person who seeks to transform a sector of the economy towards sustainability by starting up a business in that sector with a green design, with green processes and with a life-long commitment to sustainability'* (Isaak, 2002:82). Another emerging type of entrepreneurship is social entrepreneurship. Although sustainable entrepreneurship also includes social topics, it is more often associated with environmental sustainability. Social entrepreneurship involves innovative approaches to address social issues within the domains of education, fair trade, human rights, health and also the environment (Mort et al. 2002). Another difference with sustainable entrepreneurship is that the main purpose of a social enterprise is its social purpose, though it can apply commercial strategies, whereas a sustainable enterprise can have a main economic purpose, while taking full responsibility for the undesirable environmental and social effects of its activities. Social enterprises can thus be for-profit and non-profit; a sustainable enterprise is always for-profit. The difference with eco-entrepreneurship is the focus on social causes instead of environmental issues. In the United Kingdom a social enterprise is defined as *'a business with primarily social objectives whose surpluses are principally reinvested for that purpose'*.

An intrapreneur is someone who behaves like an entrepreneur, but operates within an already existing organisation. Within the corporate context this person takes hands-on responsibility for creating change. The most important difference with independent entrepreneurs is the fact that intrapreneurs operate within organisational boundaries. This organisational context makes intrapreneurs reap fewer financial benefits of their entrepreneurial engagement and take fewer personal risks. The organisational context thus implies restrictions but also provides a considerable amount of security

since the intrapreneur is not liable with his or her private means in the case of failure (de Jong & Wennekers, 2008:8). The leadership element of intrapreneurs is their ability to influence and motivate others through the systems, processes and culture of an organisation (Kotter, 1990 in Roomi & Harrison, 2011:2). Social or sustainable intrapreneurial leaders are people who are able to support the sustainable transition of companies, organisations, from within. They are employees who take direct initiative for innovations that address social and/or environmental challenges profitably. These new innovations can entail either new venture creation or entrepreneurial process innovation. Literature on contextual factors and individual traits that influenced this specific type of intrapreneurship is very limited, but emerging (Grayson, McLaren, Spitzeck, 2014:1).

3.3 The sample: nineteen narratives

In-depth interviews were held with 19 young Dutch leaders who are all highly visible and active in the sustainability movement as well as members of Generation Y. The sample of respondents was selected on the basis of acknowledged leadership. Interviews were semi-structured in their set-up in order to engage in a spontaneous dialogue with the interview, but maintain some structure on the basis of formulated topics deriving from the literature review about young leaders in sustainability. The distribution of respondents is almost equal between entrepreneurs and intrapreneurs, somewhat skewed towards male representatives in which intrapreneurs have on average a slightly higher age than the entrepreneurs.

Table 3.1 Sample distribution

	No.	Male	Female	Average age	Organisations	Sector/type of company
Intrapreneurs	9	5	4	28	KPMG Delta Lloyd Alliander Ministry I&M Search BV. Heineken Philips VBDO Centric	Accountancy Insurance company Utility company Public organisation Construction Food & Beverages Electronics Lobby services ICT
Entrepreneurs	10	7	3	26	Kromkommer Seepje Rechtstreeks Peerby Thijl Van Chefs Melkfabriek Youth Food Movement True Price Oneplanetcrowd	Social enterprise: Food Consumer goods: detergent Social enterprise: Food Social enterprise: p2p platform Food: catering Food: catering Food & Beverages Non-profit organisation Social enterprise Peer to Peer platform
Totals	19	13	7	27		

The first aim of this study was to explore the individual and situational factors that might explain the sustainability leadership style chosen by Generation Y in general and what triggered them to become either intrapreneur or entrepreneur. Second, this research set-up was aimed at retrieving stories or narratives from Generation Y sustainability leaders. These stories provide rich insights into how frontrunners in Generation Y feel and think about their own lives, careers and society and where they stand on topics like leadership, business and sustainability.

3.4 Generation Y factors

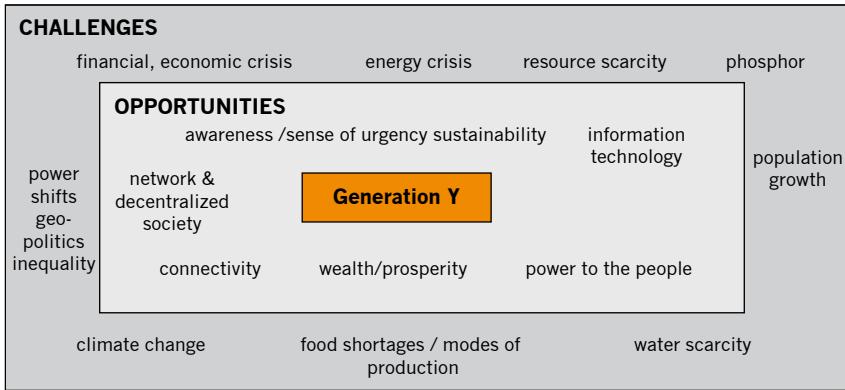
Understanding Generation Y can be done by looking at their shared past experiences and their current position in society. But it is also relevant to analyse if there is a shared interpretation of current situational factors that influences their lives. The interviews indicate that there is considerable agreement amongst the young leaders about the most important societal challenges and opportunities affecting their lives. Almost every young leader believes that climate change is the biggest challenge his or her generation will have to face. Other challenges that were highly agreed on are: the food system, the collapse of financial and economic systems and energy problems. Although less unambiguous with regard to common challenges, there is also agreement about the opportunities of our time from which the young generation can benefit. Most often mentioned are the sense of urgency and awareness in society for the topic of sustainability, and new information technology which makes it easier than ever for young people to get organised, share information and knowledge and create new business opportunities.

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All young leaders also think that sustainability at the moment is boosted in particular by so called 'frontrunner companies'. Almost all intrapreneurs agree on the considerable role of frontrunner companies in boosting sustainability, while entrepreneurs think frontrunner companies and so called 'bottom up' initiatives to be equally important. Consumers and governments in any case are considered much less important for making the change towards sustainability. Most young leaders, however, also think that governments should do more to boost sustainability.

The young leaders in this research also linked the challenges as part of the bigger transition of society from a fossil fuels and information technology-based society to one based on different key drivers and technologies. Nine leaders described this as a systemic crash or shift. According to eight young leaders our whole way of living has become a challenge to this generation. When further asked about the interaction between challenges (outer circle) and opportunities (inner circle), the following picture emerges (Figure 3.2).

Figure 3.2 Challenges and opportunities identified by members of Generation Y (n=19)



Individual drivers

Chapter 2 argued that it is important to understand whether leaders have or had intrinsic or extrinsic motivations to engage in sustainability. Intrinsic motivations trigger a more optimistic or idealistic leadership style and stress opportunities. Extrinsic motivations are founded in threats and trigger a more pessimistic or realistic leadership style.

Young leaders seem to be very conscious and worried about the unprecedented challenges society is facing, but choose to be optimistic and to look at the opportunities this transition phase has to offer them. The most typical reaction of Generation Y leaders to societal developments is characterised by the desire to show that 'it can be done differently'. Frequently mentioned approaches are thereby businesswise or entrepreneurship, the use of new (information) technology, demanding higher standards (re-active) and introducing new values (active) and collaboration (pro-active). Many of the young leaders do see that their generation members are becoming more conscious, but taking action is still not common for everyone. A considerable part of Generation Y, almost half, is still in school or university, living with their parents, dependent on others for their income and in a way very much conforming to society and serving institutions.

Most young leaders say that they are motivated to work on sustainability because they want to make a difference in the world, have impact and do meaningful things; this can be considered an intrinsic motivation. Other import drivers to motivate working on sustainability are feelings of happiness when helping others or the planet, which is an intrinsic motivation as well (Table 3.2).

Table 3.2: Internal drivers of young leaders working on sustainability (n= 19)

Motivation	Entrepreneurs	Intrapreneurs	Total	Type
The desire to make a difference: having impact, doing meaningful things	9	7	16	Intrinsic
Fun/ happiness: it is fun and gives energy to make things better and other people happy	5	8	12	Intrinsic
My experiences abroad	5	5	10	Mixed
Self-efficacy	4	5	9	Intrinsic
Curiosity / understanding	4	4	8	Intrinsic
(theory) Example behaviour from parents / family members	5	2	7	Mixed/ intrinsic
(theory) Knowledge / skills	3	4	7	Mixed
(theory) Values in upbringing	5	1	6	Intrinsic
Deep love for the planet and people	3	3	6	Intrinsic
(theory)Values in my life: doing good, justice, caring, empathy, fulfilment and happiness	2	4	6	
Intrinsic				
Sense of duty	2	3	5	Extrinsic
(theory) Childhood experience in nature	1	3	4	Intrinsic
Dramatic life experience	3	1	4	Extrinsic
Peers	1	2	3	Extrinsic
Confrontation with/ realisation of the urgency to change our ways	2	4	6	Extrinsic
Worry about what will happen to the planet/people	0	2	2	Extrinsic
Fear of wasting life instead of enjoying and contributing	0	2	2	Mixed/ extrinsic
Gratitude: giving back to society	1	1	2	Intrinsic
Leaving something valuable behind	1	1	2	Intrinsic
Letting go of my ego	0	1	1	Intrinsic

An interesting difference between intrapreneurs and entrepreneurs can be found in the two situational factors that were identified in the literature and also in the data: upbringing and the role of parents and other family members in setting an example. Entrepreneurs identified these drivers a lot more often than intrapreneurs, which suggests that entrepreneurs' parents have played a far more important role in stimulating their current sustainability actions than those of intrapreneurs. Intrapreneurs have also more often been influenced by childhood experiences in nature than entrepreneurs, and entrepreneurs are more driven by traumatic life experiences than intrapreneurs. Entrepreneurs and intrapreneurs are almost equally driven by skills and knowledge, self-efficacy and curiosity and understanding.

“So I went to Ghana to research the illegal wood industry, because talking about having impact, I wanted to know where I could have an impact. It became clear to me then that I wanted to do something to make the world a better place.” – Young intrapreneur

“I feel really happy in this role and with this situation. It is just pure fun to do things that are positive, things that help others and the world.” – Young entrepreneur

Given the exploratory results of this study, we can conclude that young leaders are far more intrinsically than extrinsically motivated. The three most embraced motivations are intrinsic because they are enjoyment and interested in the task itself in spite of the outcome. Moreover they are all positive motivations moving towards something, instead of moving away from something. But also extrinsic motivations were mentioned, in particular sense of duty, a sense of urgency that we must change, worry about what will happen to the planet and people, fear of wasting life and peers. Drivers such as personality and experience can also be approached from the perspective of extrinsic and intrinsic orientations. Self-efficacy, curiosity and values can all be considered intrinsic drivers. Experiences such as experiences abroad, dramatic life experiences and childhood experiences are extrinsic drivers. The overview also shows that young entrepreneurs are more intrinsically motivated to work on sustainability than young intrapreneurs. From the table we can see that extrinsic motivations for entrepreneurs figure less prominently than for intrapreneurs. Two very basic extrinsic motives have not been mentioned by entrepreneurs at all.

Generational awareness

The interview respondents were asked if they consider themselves to be a member of Generation Y and to point out the most important shared characteristics of their generation (Table 3.3). Based on the literature the following characteristics of Generation Y can be identified: entrepreneurial, techno-savvy, authentic, spoiled, self-confident, highly educated, impatient, creative, flexible, peer and team-orientated, individualistic but the need to be connected, civic-minded, critical, flexible, multi-tasking, life-long-learners and practical.

Table 3.3 Characteristics associated with Generation Y (n= 19)

Generation Y is....	Intrapreneurs	Entrepreneurs	Total
Conscious about sustainability, the planet, the way we live	5	4	9
Entrepreneurial / business minded (theory)	4	3	7
Critical (theory)	4	0	4
Common sense	1	0	0
Techno savvy (theory)	4	3	5
Connected (online) International, used to sharing, learning from each other diverse contacts, easy to cross borders	5	2	7
On a mission	1	1	2
Active: pragmatic and showing it can be done differently, not sitting back and waiting for change to happen	4	7	11
Ambitious	2	0	2
Collaborative	4	0	4
Seeking new status symbols	1	4	5
Open minded & renewing	2	2	4
Setting higher standards /demands work, companies, life, transparency	4	0	4
Transparent	2	1	3
Idealistic	1	1	2
Informal	1	1	2
Flexible (theory)	2	0	2
Restless (theory)	1	0	1
Processing a lot of information	0	1	1
Highly educated (theory)	0	1	1
Individualistic	1	0	1
Spoiled (theory)	0	3	3
Stressed	2	0	2
Less or equally conscious about sustainability compared to previous generations	2	0	1

Generation Y is....	Intrapreneurs	Entrepreneurs	Total
Seeking authenticity, want to stand out; things/ experiences that are real (theory)	0	2	1
Careless	0	1	1
Less selfish	1	0	1
Lack of commitment	1	0	1
Intrinsically motivated	0	1	1
Our generation doesn't differ from other generations	1	1	2
Total: 28			

The characteristic that was associated most with Generation Y is 'active'; pragmatism, taking action and showing it can be done differently.

“Sometimes I really think that our generation is different. For example that we organise things ourselves when we want change, and not wait for it to happen.” – Young entrepreneur

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According to Bourdieu, a birth cohort is active when they are able to exploit resources to innovate in cultural, intellectual or political spheres (see Chapter 2). An active generation doesn't accept the economic, social, cultural, political circumstances as given but try to change them. An active generation is often followed by a passive generation, because in consuming existing resources and exploiting opportunities an active generation closes off the advantages of the generation that follows after. The young leaders also take 'active' to mean more than being energetic and lively, which becomes clear from the explanation 'showing it can be done differently' and 'not sitting back for change to happen', but also other characteristics mentioned like: on a mission, renewing, seeking new status symbols and setting higher standards, which are all indications that this generation is consciously seeking renewal of current society.

Other characteristics that were often mentioned by the young leaders are conscious (referring to conscious of sustainability, climate change, social responsibility; the necessity of living differently) entrepreneurial, connected, techno-savvy and seeking new status symbols. But young leaders also found negative characteristics of their generation important; according to an intrapreneur, Generation Y lacks commitment; one entrepreneur accuses Generation Y of being spoiled. Entrepreneurs found it also much more difficult to name typical characteristics of Generation Y than intrapreneurs; entrepreneurs came up with 16 different characteristics while intrapreneurs were able to name 24 characteristics. Although amongst both intrapreneurs and entrepreneurs one young leader indicated that he or she doesn't feel any resemblance to Generation Y, these results could indicate that the generational consciousness of intrapreneurs is stronger than that of entrepreneurs. An explanation for this could be that intrapreneurs are the kind of people that have a better outlook on societal phenomena like different generations. Intrapreneurs also found it easier than entrepreneurs recollect

important historical events. Another explanation could be that there is more attention to generational differences in the organisational context of intrapreneurs. It is likely that intrapreneurs experience generational differences more often than entrepreneurs given the fact that most intrapreneurs are supervised by and working in project teams with members of older generations on a daily basis; entrepreneurs are working more autonomously and often with members of the same generation. This is also true for the entrepreneurs interviewed for this study. Only one out of ten entrepreneurs has a much older business partner that he or she works with on a daily basis. Although many of the young entrepreneurs are supported or coached by a senior person or investor, there is in general no daily contact, co-operation with or supervision by members of older generations.

Another way of looking at generational awareness is through the opinion of Generation Y leaders towards previous generations. Intrapreneurs thereby had less trouble coming up with characteristics of Baby Boomers and Generation X. Intrapreneurs mentioned an average of 3.8 Baby Boom characteristics and 2.8 Generation X characteristics per person, entrepreneurs could identify an average of 2.4 Baby Boom characteristics and 1.8 Generation X characteristics per person. This suggests that intrapreneurs are more aware of generational differences than entrepreneurs and thus have a stronger generational awareness. In general, Generation X is most frequently associated with stubbornness, being ok with technology, being spoiled and having no ideals and assumed to be searching for their place in history by both categories. The remark that they appear to have no ideals and are still searching is interesting. One of the entrepreneurs explained;

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“I have the idea that although this generation might be noticing what we’re all heading for, they don’t know how to deal with that. It seems as though they are still searching for their own way of dealing with a changing world.”

The Baby Boom Generation is mostly associated with ambition and hard work, idealism, enjoying life and its big influence on society. The latter was mostly described in negative terms quoting a young entrepreneur;

“The generation that built all kinds of systems from which we now wonder if we still want them, like the consumption society.”

Although some young leaders are negative about the systems created by the Baby Boom Generation, some say that now that the Baby Boomers have come of age (50+) they are more concerned about sustainability than Generation X and are supportive of the younger generation.

Will Generation Y make a difference?

A majority of the Generation Y leaders (13 out of 19) explicitly state that their generation will make a difference. Interestingly, therefore, still around a third of the young leaders doubt that their generation will make a difference. Positive arguments are based on the consciousness, the characteristics and the situational factors of Generation Y. Most mentioned by the young leaders are the situational factors: means and technology, as well as the flaws of the system. Issue driven argumentations are most often used over opportunity driven explanations. Young leaders who don't think Generation Y will make a difference base their ideas mainly on argumentations about the characteristics of Generation Y: members of the younger generation don't have the mentality to actually fulfil their vision, they won't turn their consciousness into action, aren't very eager and only a

few have the skills (not very many of them at all, a disappointingly small number) Interestingly, hardly any of the young leaders who believe that Generation Y will make a change back this up by referring to the skills and characteristics of Generation Y, while doubters about the role of Generation Y make this the main focus in their critique. According to one young entrepreneur there's not enough urgency in western society to activate the younger generation; an argumentation based on an idea about the context in which Generation Y operates. The young leaders who think that Generation Y has no specific role to play use both argumentations concerning the characteristics of Generation Y as their situational circumstances.

- A. Generation Y will make a difference
 - 1. Generation Y will make a difference because specific issues in society have made them conscious about sustainability (*10 times by intrapreneurs, 8 times by entrepreneurs*).
 - 2. Generation Y will make a difference because of the specific opportunities today's society offers them (*3 times by intrapreneurs, 8 times by entrepreneurs*).
 - 3. Generation Y will make difference because the generation itself has specific characteristics and skills that can help them to benefit from opportunities and / or turn consciousness about issues into action (*4 times mentioned: 3 intrapreneurs, 1 entrepreneur*).

- B. Generation Y (probably) won't make a difference or perform any special role
 - 1. Generation Y probably won't make a difference because, although there might be consciousness about sustainability topics and/or there are opportunities within society, on generational level crucial characteristics and skills are missing to take advantage of opportunities and turn consciousness into action. Some individual members of Generation Y will make a difference (*6 times mentioned: 3 intrapreneurs, 3 entrepreneurs*)

- C. Generation Y won't perform any special role in society compared to previous generations
The action of members of Generation Y is merely a reaction to situational factors and/or an expression of individualism or even selfishness and no indication of a generational consciousness of sustainability or a shared generational approach (*3 times mentioned: 2 intrapreneurs, 1 entrepreneur*)

3.4 What distinguishes young intrapreneurs from entrepreneurs?

Intrapreneurs

Intrapreneurs tend to be intrinsically motivated by the content of their job: sustainability, and extrinsically motivated to work at a (large) organisation as an intrapreneur. The most often mentioned motivation by intrapreneurs is the belief that they can have maximum impact by working at a big organisation and the personal challenge to change the system from within. According to five out of nine intrapreneurs, you can have more impact on a sustainable world by working at a big company than by being a politician or an entrepreneur. Quoting one of the young intrapreneurs;

"I don't think I could have as much impact being an entrepreneur as I have now working at Philips. But that is my perception. I support start-ups absolutely and it is necessary. And some of them can have a lot of impact in the short term. But what we really need is impact on the long term."

Four out of nine intrapreneurs believe that the way to reach a more sustainable world is not to convince individuals to become more sustainable but to make sustainability an integral part of all businesses and products so that people will behave sustainably aside from their motivation. The intrapreneurs believe that companies can change industries and through that systems, which is the most efficient way to reach a more sustainable world. Quoting an intrapreneur;

“I’ve stopped trying to change individual behaviour. If it bothers me that people are going on cheap polluting flights it’s better to change the entire aviation industry. To me that would be a better solution than trying to address everyone at the supermarket handing out flyers. You can’t force people to be conscious or passionate about sustainability when they aren’t.”

Five out of nine intrapreneurs also consider it a personal challenge to change an existing system from within. Quoting one of the young intrapreneurs;

“Yes I love these kinds of challenges, that is really me. I guess I find it interesting to think; ‘ok, there is this huge structure and how can I talk to different people to get something through’. That is why I am not in politics, although there is a lot of politics in the private sector...”

Although most intrapreneurs believe that through working at large organisations they can have the most impact on a sustainable world, many of them also emphasise the importance of a bottom-up movement. Three intrapreneurs said they expected more in the future from the bottom-up movement in boosting sustainability. Three intrapreneurs explicitly said that they see huge opportunities in the collaboration of ‘the big and the small’. Quoting a young intrapreneur;

“A combination of both is the best. Look how one person via the platform Nudge and the support of the crowd was capable of making a big producer change the cooking instructions on the packaging of its pasta products. Maybe not the best example, but it is a combination of an individual taking the initiative, mobilising through the undercurrent but finally changing something at a big mainstream company. The success lies in the combination.”

Most intrapreneurs said that the ability to take risks in combination with seeing opportunities and sticking your neck out to make it happen are the most important skills for an intrapreneur. Quoting a young intrapreneur;

“What I like about being an intrapreneur? The extra responsibility, when things go wrong everybody is looking at you. You’re sticking your neck out. But that’s part of the deal if you want to be an intrapreneur within an organisation.”

Other important skills according to the young intrapreneurs are: social skills, having an internal network, being opportunistic and political, being able to motivate and persuade others and being critical. The skills ‘risk taking’ and ‘political’ coincide with the literature on intrapreneurship. Being opportunistic is closely linked to being strategic, a concept that was also found in the literature. Young intrapreneurs attach great value to having an internal network, which is not only about having political skills but also about being social and liked by others; people have to know where to find you but also grant you your stroke of luck.

Entrepreneurs

All entrepreneurs said they are motivated to be entrepreneurs because they truly believe in their idea or solution. Quoting a young entrepreneur;

“During my studies I was always cooking for groups of people, and also owned a small catering company which earned good money. But I wanted to have something that was really scalable. And I found that I’m actually not that practical myself and not a top cook. So I thought it would be better to facilitate others in cooking for a living. And then I saw a concept in the United States which really made me enthusiastic and made me think; that’s what I am going to do.”

Three other important reasons why the young leaders became entrepreneurs are that they were so confronted or moved by a situation that they felt the need to do something about it right away, the opportunity to do good through entrepreneurship while earning money and the opportunity simply came along.

The motivation of the young entrepreneurs can be divided into intrinsic and extrinsic. If we look at the table we can see that also young entrepreneurs have a motivation based on mixed orientations; extrinsic motivations were mentioned 30 times versus 29 intrinsic motivations. The most often mentioned motivation is intrinsic; strongly believe in my idea or solution. We can conclude that entrepreneurs have mixed motives for being an entrepreneur with a small tendency towards being intrinsically motivated. Combining this with the previous insight that entrepreneurs are intrinsically motivated to work on sustainability it is accurate to say that entrepreneurs are most certainly intrinsically motivated about the content of their work, which is sustainability, and have mixed motivations, with a small tendency towards an intrinsic motivation, to being an entrepreneur.

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The entrepreneurs were also asked if they would ever consider working for a big organisation. While many intrapreneurs were enthusiastic about becoming an entrepreneur in the future, entrepreneurs are not so enthusiastic about working for a large organisation. Only one out of ten entrepreneurs would consider working for a large organisation because of the challenge to change something from within.

The most frequently mentioned skills according to the young entrepreneurs are drive, courage and being a hard worker. Drive as an important skill was also mentioned in the literature about entrepreneurship but then as a personality trait ‘egoistic passion’. Quoting one of the young entrepreneurs;

“I just know ‘this is what we should do’, and then I can work like a motor. Just work. No sleep. I don’t know what it is. But I get so much energy. An energy overkill. I’ve always had that. And in the teams I then become ‘the drive’. I think that’s my contribution; endless motivation.”

Courage and being a hard worker were not found in the literature to be important skills. Quoting a young entrepreneur;

“Courage. That is probably the most important thing. Because you’re on your own, or with two in our case. But we decide ourselves where we are heading, what next move to make. And that is often just going for it, taking the risk of losing everything, investments or your product not being received well. You’re constantly sticking your neck out without any guarantee for success.”

Some of the skills mentioned can also be considered personality traits like courageous, confident, creative, intuitive, empathic, social, stubborn and open-minded.

Leadership styles: making sustainability mainstream

Most young leaders are trying to make sustainability mainstream (entrepreneurs) or trying to integrate sustainability in the core business of their companies (intrapreneurs). There are clear differences in the way this approach is executed by entrepreneurs and intrapreneurs (Table 3.4).

Table 3.4 – Leadership style and mainstreaming sustainability (n=19)

Approach	Type of leadership	Intrapreneurs	Entrepreneurs	Total
By being a role model yourself; lead by example	transformational	5	3	8
Making sustainable products that appeal to a bigger audience through pricing, quality, image, comfort etc.	strategic	0	6	7
Making it easy, fun, maybe even very popular or trendy; the sustainable behaviour will follow	strategic	1	4	4
Making it fully integrated into business so sustainable is the only offer people get	strategic	8	0	8
Giving people access to services; enabling peer to peer networks	servant	0	4	4
By co-operating; forming strategic coalitions with other organisations	transformational, visionary	2	3	5
By influencing people with power who can create top-down change	transactional/strategic	4	1	5
By creating incentives for people (rewards) to give them an extra push	transactional	2	0	2
Approaching sustainability with positivity and perspective; what can people contribute themselves	transformational	5	2	7
By asking the people on the working floor; listen to the people close to the business and empower them to take action	servant / transformational	4	0	4
Putting a price on positive and negative externalities (use existing market mechanism and financial drivers); making the polluter pay	transactional	4	1	3
Reporting and communicating progress	transactional	4	0	4
Showing the urgency of sustainable change, offering information	transactional	1	2	3

Entrepreneurs are logically making sustainability mainstream by introducing products and services that are more accessible to a bigger audience, intrapreneurs by fully integrating sustainability into the core business of their companies; both strategic types of leadership. Being a role model is an important approach to both intrapreneurs and entrepreneurs and can be considered a transformational act of leadership. The reasoning behind the importance of being a role model is that if you want something to be picked by a larger group of people, according to young leaders you need to 'walk the talk' yourself and continuously spread the message. Additionally, walking the talk helps you to make sustainability the core of everything you do and not something on the side. Quoting a young entrepreneur;

"Doing it yourself, giving the right example. That also means carrying it through in everything you do: it is not an add-on, it's the core."

Big differences between entrepreneurs and intrapreneurs are that entrepreneurs find it important to give people access to products and services and enable them to engage in activities with each other; once they get access, the desired sustainable behaviour will follow. This is also their argumentation for making sustainability fun, easy or even trendy; once people are using or doing it, they might become interested over time in the values or story behind it. Quoting one of the young leaders on this;

"I don't care if people get to know about the problems and civil war in Burma because Sylvester Stallone made a movie about it... or take for example 'het Glazen Huis' (Dutch fundraising champagne). I think that's one of the best initiatives in our country because it activates a lot of people. And if people feel that they can make a difference and meanwhile request a song and be on TV, so what? You got to be pragmatic about that."

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Though this approach at first sight shows similarities with the approach of intrapreneurs to make sustainability positive and letting people contribute, there's a difference.

To entrepreneurs, making sustainability mainstream is about seducing people to buy sustainable products or use services not because they are sustainable but because they are appealing, pretty, trendy or fun. This approach might have something to do with the fact that some entrepreneurs also became more conscious through the act of doing; setting up a business with positive outcomes. Moreover, the young entrepreneurs in our research that are trying to make sustainability mainstream have to, or will have to, compete with mainstream companies who present their products in popular ways, in order to grow and gain more market coverage.

Intrapreneurs also believe in making sustainability fun for their colleagues or employees, but here fun means relevant. Intrapreneurs have a difficult job to integrate and promote sustainability in a way that it sticks; also in the daily routine of employees. To do this, intrapreneurs try to excite people by explaining how sustainability can improve the outcome of their work; 'better quality, better company results, happy customers'. Intrapreneurs motivate others to align themselves with his or her goals. As discussed earlier this requires political and social skills (strategic behaviour) and the ability to inspire and motivate others. Because intrapreneurs have to work and depend on the same people for a long time to achieve their mission they are not set out to seduce people temporarily but are interested in engaging and involving people for the long run.

When looking at the approaches mentioned it becomes apparent that both entrepreneurs and intrapreneurs apply a mix of different leadership styles. In making sustainability mainstream entrepreneurs are using measures that belong mainly to a strategic leadership style; intrapreneurs use techniques that fit transformational leadership the most. However, while the approaches of entrepreneurs almost show no sign of transactional leadership, many of the approaches used by intrapreneurs are indeed transactional; using incentives like rewards, putting a price on externalities, top-down power and reporting. It's interesting that most of the transactional approaches were mentioned by the young intrapreneurs who were intrinsically and extrinsically motivated to have impact and work at a (large) organisation before they become conscious about sustainability. This might indicate that their drive to have impact at a large organisation leads to the usage of more transactional (traditional) leadership instruments.

3.5 Conclusion: will Generation Y drive the change?

Almost all young leaders that were interviewed for this study feel related to their generation, see resemblance between their individual behaviour and that of generation members and have ideas about the role Generation Y has within society. And all young leaders, all in their own way and some more fundamentally than others, have been either inspired, challenged or made conscious by the issues and opportunities in today's society and events in the past. And all these young leaders are, in addition to being members of a generation, entrepreneurs within a market context, intrapreneurs within large organisations, and civilians of the Dutch society, also 19 unique individuals with personality traits, skills, experiences, knowledge and resources that all interpret their context on a daily basis and decide to take action. But we also found some clear patterns in this study.

In their answers, entrepreneurs put a lot more focus on the opportunities today's society has to offer to the younger generation, while intrapreneurs emphasise more how the issues in society make the younger generation more conscious. This observation matches other findings; that intrapreneurs mentioned more issues when talking about the current time, while entrepreneurs could name more opportunities. Intrapreneurs have a greater sense of urgency than entrepreneurs. This study tried to put the emergence of young leaders in sustainability in the perspective of bigger movements and greater developments over time in society, for example the environmental movement, economic and technological waves and shifts in the generational constellation. Finally, this research contributes in filling the gap between current leadership-, environmental and generational studies in explaining the emergence of sustainable leadership of young professionals belonging to Generation Y.

From the literature on leadership and entrepreneurship it can be derived that individuals are drawn to either form of entrepreneurship through different influencing factors:

1. External/situational factors, such as cultural norms and values, the influence of parents but also the strategies chosen by existing corporations and the regulatory boundaries for setting up own enterprises;
2. Organisational factors are particularly important for the intrapreneur
3. Individual factors: the degree to which an individual wants to take risks, is intrinsically motivated to change the world, but is not satisfied with the system
4. Market conditions: the extent to which there is capital available, how industries are structured and what type of demand for new products exists.

Figure 3.1 shows the effects these factors have had on the particular characteristics of the sustainable entrepreneurs and intrapreneurs of Generation Y. We can see that for intrapreneurs, organisational factors matter, whereas for entrepreneurs in particular market factors make a difference. Regarding situational factors, there are many factors that influence the young leader in a comparable fashion. The major difference in the attitude towards sustainability can be found in individual factors.

Figure 3.1: Factors influencing entrepreneurship and intrapreneurship

Sustainable Entrepreneur	Sustainable Intrapreneur
<p>External Factors Cultural norms and values Governmental and political activities and policies (taxes, regulations) Focus in society on market failures Urgent opportunities for scalable innovations Established business case for sustainability Parents as role models, friends, inclusion in groups and gatherings</p>	<p>External Factors Global market failures, higher expectation of companies, changing values in society Corporate structures and management approaches are shifting, becoming more network-based, opening up more space for creativity and entrepreneurship. Parents as role models, friends, inclusion in groups and gatherings</p>
<p>Individual Factors</p> <p><i>Skills/ Knowledge</i> The ability to use business and commercial strategies</p> <p><i>Personality traits</i> - Risk taking, self-efficacy, need for achievement, autonomy, egoistic passion - Visionary, innovative, creative, long-term focus, teamwork capability, flexibility</p> <p><i>Motivation/ Values</i> Intrinsic motivation to change the world: improve environment & quality of life</p> <p><i>Experience</i> Childhood experiences, norms, values transmitted by family, spending time in nature</p>	<p>Organisational Factors Management Support / Culture Innovation climate Communication Time availability & autonomy Resources & social capital</p> <p>Individual factors</p> <p><i>Skills/ Knowledge</i> The ability to influence and motivate others through the systems, processes and culture of an organisation</p> <p><i>Personality traits</i> - Innovativeness, resilience, initiative, influencers, risk taking and leadership - Persistency, self-belief, learning and outreach</p> <p><i>Motivation Values</i> Intrinsic motivation for social change</p> <p><i>Experience</i> Childhood experiences, norms, values transmitted by family, spending time in nature</p>
<p>Market conditions Population density, industry structure, availability of resources (investment capital, labour market, transportation infrastructure and complementary technology)</p>	<p>Market conditions Dynamism, technological opportunities, industry growth and demand for new products</p>

These differences will have an impact on the kind of leadership each segment of Generation Y will favour. Generation Y seems to be performing a mix of different leadership styles. They all have the ambition to be transformational, visionary and strategic. But intrapreneurs are also into transactional leadership, whilst entrepreneurs find authentic and shared leadership more important.

We can therefore conclude that Generation Y leaders have reactive as well as active motivations towards societal issues and adopt often ambiguous leadership styles. The young leaders in our research can be considered frontrunners and most of them show an active attitude and signs and preferences for transformational and integrative leadership. However, as was clear from the opinion of these same leaders, the rest of Generation Y is expected (still) to have more of a reactive and defensive attitude. The clash of generations (conclusion Chapter 2) thus can have detrimental effects on the effectiveness of the leadership of Generation Y on their generation and thus on the proclaimed change towards higher degrees of sustainability.

There are historical parallels here. The Pragmatic Generation was once an active generation but faced its first struggles with the older generations within organisations and society. Therefore it seems, also in the perception of members of Generation Y, as though they have moved down the pathway of transition in the direction of Generation X, reactive and defensive. Generation X was predicted to be a reactive and defensive generation; the research results indicated no difference. The Baby Boom Generation remains relatively traditional and conservative and can therefore be expected to remain inactive in facing present societal challenges. On a positive note however, during the last couple of years, more and more leaders of the Baby Boomers are showing a more active approach towards societal challenges. They are not proactive because their method seems to be one of introducing new standards, visions, big ideas about the future that now suddenly everybody has to follow, this becomes clear from all the 2020 and 2030 ambitions, reports and roadmaps that companies, led by these baby boomers, are formulating. So maybe the best coalition that young leaders from Generation Y can create is not with their own generation, but with the still-active leaders of the Baby Boom Generation.

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4. THE MAX HAVELAAR MEETING: GENERATION Y MEETS GENERATION NON-Y




Generation Y challenges you!

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Max Havelaar Lecture: Wednesday 29 October

Programme

- 14.05 Opening by moderators: Rob van Tulder (Professor RSM & Director Partnerships Resource Centre) and Noortje Schrauwen (Project Manager Search)
- 14.15 Battle 1: Willemijn Verloop (Director Social Enterprise.NL) and Jitske Lundgren (Studio Jux)
- 14.45 Pitch: Zazu, Neat, Travel by Polaroid
- 15.00 Battle 2: Joszi Smeets (Director Youth Food Movement) and Willem Lageweg (Director MVO Nederland)
- 15.30 Pitch: SMO, Young&Fair and Video "Challenges"
- 15.45 Battle 3: Bas van Abel (Initiator and Director FairPhone) and Peter Westgeest (Director hardware KPN)
- 16.15 Pitch: De kleding bibliotheek, GarBitch, Pebble Chick
- 16.30 Battle 4: Talitha Muusse (The Punchy Pack) and Simon Pickard (President Academy of Business in Society)
- 16.55 Closing by moderators
- 17.00 Drinks, market and band: Florian Wolff

	Generation Y		Generation not-Y	
Moderators		Noortje Schrauwen Project manager Search		Rob van Tulder Professor RSM & Director Partnerships Resource Centre
Social enterprise		Jitske Lundgren Co-initiator Studio Jux		Willemijn Verloop Director Social Enterprise.NL
Social movement		Joszi Smeets Director Youth Food Movement		Willem Lageweg Director MVO Nederland
Product innovation		Bas van Abel director Fairphone		Peter Westgeest Director hardware KPN
Science		Talitha Muisse Social Entrepreneur The Punchy Pack		Simon Pickard President Academy of Business in Society

Transcripts from the seventh Max Havelaar Lecture – for the web-lecture, more pictures and video material, see www.maxhavelaarlecture.org.

Jitske Lundgren – Studio JUX

I am the co-owner and founder of Studio Jux and we are a fair, sustainable fashion brand. I started Studio Jux because a couple of years ago, I saw a purple man. I met him in India and was really wondering about him –why he became purple – and I found out that he was walking daily through the dye, to dye fabrics. And this made me realise that I really wanted to change something in the fashion chain and in the industry. This man will never lose his colour but it should be different for the people who come after him.

This purple man made me realise that I really wanted to change something in the fashion chain and in the industry. It should be different for the people who come after him. – Jitske Lundgren

The word Jux means fun and you were also talking about fun and that's what we want with the fashion. We want fashion to be fun for everybody: the people who are wearing Studio Jux but the people also who are making the items and as well for the whole environment. And what we do is we want to honour those who are making our products. We have a slogan and it's called "My Nepali Tailor is a Rock Star" and in this way we are trying to honour those who are making these pieces in Nepal in our factory.

But as well we are working with other production units, with women development projects, social projects in the Netherlands and in Portugal. We use only sustainable materials and that means that it could be organic cotton or recycled polyester or fabrics made from wood. It's also a question that we are always asking ourselves: where is it made and where is it from? There is also an example that we are now working with a program in Holland with farmers in *Het Groene Hart*, in the "green heart" of Holland where we know which sheep are used to produce the wool that we make fabric of, and then we make jackets in our social project. So these are the kind of projects that we are building our collection around, and we are selling these pieces.

Besides, what we want to do is make designer collections; we want to make products that people really want to have for the product and not only for the story. In this way we think it's good work. Jux is selling in 80 stores now in 13 countries, mainly boutiques, but we also sell from Wehkamp, the biggest fashion online retailer in the Netherlands. Our main market is selling to Europe. We make men's and women's wear collections and bring these collections to our sales agents. Our agents go to the retailers and sell the pieces. Then bulk orders come back to us and we will start producing. So we only produce what is needed.

We have our own factory, as you were told, in the north of Kathmandu. Its name is Be suited and it's a fair production unit; we try to work in only good working conditions. What we want to do with this factory is to have a positive influence on the employees and their neighbourhoods, and the neighbourhoods around the factory. There are different shops opening now around the factory. We invested money in a police booth to get the area more safe. We are sharing water and electricity as well with the neighbourhoods. We educate and train our employees in Nepal and in this way the factory is growing and growing and growing.

We now have 30 people working for us in Nepal but we see this as our pilot project. It has succeeded... is successful now, but we want it now to grow into a bigger project and co-operate with other factories as well as local. In the coming five years we want to sell a lot more pieces to the stores

in Dutch and German markets. In that way, the more people wearing Jux, the more social impact we can have. That's what we want to reach.

In Nepal the production is coming out well; quality control is there. I was there for the last five years, all is set and running, but we want the factory to grow now. We want to grow from 30 people to 150 people in the next five years – and we want to do this in three smaller units.

Next to this I'm setting up a training [programme] with Terre des Hommes, which is helping us to set up a proper educational training centre. The challenge we face now – and this is mainly why it's interesting to hear my story – is that we are building up two businesses at the same time. One of them is even in a developing country and that's my biggest challenge. For example we have 8 to 12 hours of electricity cuts per day in Nepal. So, how are we going to run a factory?

We use a generator, but now we are switching to solar panels and sharing the electricity with the neighbourhoods.

On the other hand we work with uneducated people. We need to train them. They have a lot of social problems that we should support.

Another example is that from a business point of view, all our partners in Nepal don't have the financial means to grow and to pre-finance our production, so when we grow, they should grow with us and this is another challenge. For now we are just very happy and proud of what we've built up and we want to take it the next step further, but that means that we need the financials to help us... to let us further grow. Now we are looking for funding, but we want funding that's not only financially driven. We are looking for funding that is socially and environmentally driven and that is our main challenge now, and I think Willemijn will tell you more about this.



Willemijn Verloop

In my work at Social Enterprise NL we work with social entrepreneurs that have built their business around solving a societal problem; people who don't accept the way we do business, who don't accept things in society, who want things to change. They don't start an NGO, like I did with War Child, but start a business. When a business grows, it grows its impact. A business is primarily aimed at achieving impact. When it's a social business, growing that business is growing that impact. And it's just a sustainable model. So that's why I believe these social entrepreneurs are so important in helping us find solutions to societal problems.

I think these new entrepreneurs are spearheading new innovative business models that can show how we can change sectors, how we can change consumer patterns, how we can look towards solving societal issues. – Willemijn Verloop

I don't expect the entire economy to exist of only social entrepreneurs but I think these new entrepreneurs are spearheading new innovative business models that can show how we can change sectors, how we can change consumer patterns, and how we can look towards solving societal issues. And it can be from very small local initiatives – from just in a village somewhere in the northern Netherlands with an entrepreneur who wants to scale this idea to several communities, to entrepreneurs that want to change the system and really want to change the hearts and minds of people worldwide. And we have some nice examples of that in the Netherlands.

Look at Triodos Bank, a social enterprise that has really influenced the finance sector worldwide. Look at Tony Chocolonely, a Dutch initiative that really wants to shake up the chocolate sector and change how we work with cacao farmers. Look at Fairphone, Bas will talk about it later on, trying to change the electronic industry. So there are these 'unreasonable entrepreneurs'. I call them unreasonable with a lot of awe, because it is not easy to be unreasonable. It is very difficult to start a business when nobody actually believes you can do it. , to say 'we're gonna do it, we are really gonna change this.' We should have many more of these entrepreneurs.

In the Netherlands we are way behind in this field. We are just in our infancy. We have intriguing examples. But if you look at the UK, for example, there are 60,000 social enterprises in the UK. They contribute around 32 billion pounds to the British economy. It represents five percent of British businesses and is supported by the government. David Cameron calls social enterprise the biggest institutional innovation of our times. And they have put all kinds of support schemes behind these entrepreneurs, from confiscating all dormant bank accounts into a big fund to invest in social enterprises, to creating a specific special legal entity this community interest company, and creating procurement rules in a social value act. Not all of these are equally successful, but it shows that they are really pushing this sector forward.

This is where we can really learn in the Netherlands. We have enough Generation Y entrepreneurs and even Generation X entrepreneurs wanting to build their social businesses, but they are not really working in the eco-system in the Netherlands – where they don't get enough opportunity. Some will grow anyhow, but we can accelerate this sector if we want to.

What is needed to do that? There are a couple of challenges that we as Social Enterprise.NL have identified. We have been working with this group for three years now and, really, we are doing a lot of

research on what are the barriers to growth. One of them is access to capital, like Jiske already said, but there are others as well.

Many social entrepreneurs meet mistrust when they talk with people about what they are doing in their business. This is strange; we should honour them for being able to create that triple bottom line. – Willemijn Verloop

The first challenge is recognition. In the Netherlands we accept that NGOs will create impact and the government creates social impact. But when you work in a BV [a private company with limited liability in the Netherlands] the public wants and expects you to make money. So if you work in a BV and you want to create social value as a primary objective, it creates mistrust for the general public. Many of these entrepreneurs meet mistrust when they talk with people about what they are doing in their business. And this is strange because we should honour them for being able to create that triple bottom line. To solve a societal problem *and* run a business is very hard. Many of these entrepreneurs here can tell you how hard that is.

So instead of making them into heroes we are making them mistrustful. In this country, it is a very Calvinistic way of looking at social businesses.

66 | Recognition could also be helped by the government. That is the second barrier. The government doesn't really support social enterprises – neither the local nor the national government. They hardly have a clue who these companies are. And they could do so much. We are supporting top sectors; we are supporting technological innovation so why are we not supporting social innovation? We are not giving social innovation more space and access to capital. We could think of so much. Even the government is the biggest supplier and customer we have. So be a launcher for social entrepreneurs if they are making impact for our society. There is a lot to win, in that area.

Furthermore, we can do a lot more in education and research in this field, [for example] research on impact evaluation – everything is always measured in money, How are these social entrepreneurs actually going to prove what they are creating, if they have no concrete impact indicators for all sectors? There is considerable research to be done there.

And education! Internationally, Harvard, Oxford, INSEAD and Stanford have adopted big education tracks on social entrepreneurship. At Oxford there is an MBA in social entrepreneurship. In the Netherlands there is... hardly anything. It is under construction, but we are nowhere near. We don't even have a university chair (professorship) on entrepreneurship! There are a lot of steps we could undertake.

Finally, access to finance can arguably be considered the biggest hurdle for most social entrepreneurs. McKinsey has calculated that there is a three times higher demand for money than there is on offer. There are all sorts of social entrepreneurs that indicate that that is their main barrier. Social businesses need to grow their business. They need venture capital if they want to grow. Venture capitalists are interested in these businesses but are interested primarily in the financial gains and these entrepreneurs are primarily driven by social gains. Money is a means, not an end. So that creates difficult situations in most instances.

Social entrepreneurs are building new markets, and are often trying to build the market while building the organisation. So it is not the fastest growing companies we are looking at. We have researched that they grow slower than regular companies, but in the end their long haul is much stronger because they have a very long term focus on what they are trying to achieve. So they need patient capital; capital that does not need to earn a double dividend within five years. So it is a very different kind of capital that is needed.

We hear a lot about impact investing but, I have to say, most impact investors want this double dividend on return and this social impact, so that is unreasonable because that will not happen. So I see there is a lot of opportunity here for investors to move into this space and really get committed long term capital that can make these social enterprises grow. And of course, in the end, it is up to the entrepreneur to make the model work. But I think capital is one of these issues that we should move on and research – for which a chair in social enterprise could be very helpful.

I think the Dutch could leap-frog the international competition and really move fast in developing social enterprises and spearheading social innovation. I really hope that Generation Y here today can help to create that move.

Joszi Smeets

I am 25 years old, born in 1988, so definitely Generation Y. I am going to talk about the Youth Food Movement. The Youth Food Movement is the younger movement from Slow Food, definitely run by Baby Boomers and Lost Generation people.

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Slow Food was started in 1970; in the 70's when the first McDonald's opened in Rome, across from the Spanish Steps. And the people who started [the Slow Food Movement] – the founder was Carlo Petrini – he thought well, this is the end of the good food world, we are starting to be a fast food system. So against that system he started Slow Food.

Five years ago we went to Turin to see the Terra Madre convention of Slow Food, and we got so inspired that we started Youth Food Movement in Holland. Last year everywhere in Holland, Youth Food Movements popped up; in Groningen, in Brabant, in Rotterdam, in Den Haag. And not only in Holland but we are actually all over the world. The Slow Food Youth network is, well, as you can see, everywhere.

The food system is definitely changing. I'm part of the change, you can be part of the change and together we will achieve that new system. – Joszi Smeets

So last week I was again in Turin with people from all over the world. Just to give you an impression, these are the Young Food leaders from India, Uganda, Iran Mexico, Spain, and France. Everywhere there are people who want a better food system.

What is a better food system? We stand for good, clean and fair food, and by good I mean food that is full of taste, that you have respect for, that you really enjoy the meal and not take it while you are running from school to the train or whatever. By clean I mean no use of unnecessary poison, plant poison or whatever and with no respect for animals. And by fair I mean a good price for the producer, of course. Well we do all kinds of activities in Holland. So here you have an example of few that we

did. The Food Film Festival is every year in Amsterdam, where we take food film and festival together and let people enjoy food and watch documentaries about the system.

The Youth Food Movement academy is really an example about how we network. The Youth Food Movement academy is a six-month programme, and we do this every year from January until the summer. We select 25 young food professionals to join the academy and they are from all over the food chain; there are young fishermen, young farmers, retailers, food entrepreneurs, people who are studying something with food. They are from all over the food chain and they want to learn more about sustainability and they want to get to know each other.

We select them and take them on a trip around the whole food system in six months. So every three weeks you have a theme day, so for example we talk about world trade, we talk about meat consumption, we talk about food design. Of course six months is way too short to explain the whole food system to people, but we give it a try. On a theme day you get a master class. An example is the master class given by Professor Jaap Seidell who is the obesity expert of Holland. Every day we take participants to places that are relevant for the topics. So on the day about meat we went to a cow farm, we talked about the soy that cows got to eat and we try to let them think together about dilemmas – because it is quite unique that they come together. When do you meet a fisherman? Who ever met the guy who produces the meat that you eat tonight? Maybe a farmer never talked to a designer. We let them think about dilemmas in the food system and come up with creative ideas.

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Just to give you an impression, this is a selection of a few academics from over the years [shows a picture of participants]. As you can see they come from everywhere. In the corner you see Aletta, she's a doctor, next to her is Hendrik, he's a chef. You see Noushod, he works at La Place – who doesn't know La Place [a chain of restaurants in the Netherlands]? Mike who works at Starbucks, I heard that we are going to drink Starbucks coffee later on. Pieter who works for the Province of Brabant. These people are from everywhere actually. They meet each other in the academy but also afterwards, they come up with interdisciplinary ideas. They really got inspired by the other disciplines they met in the academic year.

For example two people who work for Ahold, the biggest supermarket chain in Holland, came up with an idea of a no-waste restaurant. They met each other through our academy, and now founded Instock, a no-waste restaurant at the Westergasfabriek in Amsterdam. They started three months ago and I [just] learned that they can continue, that they are not just a pop-up restaurant anymore. Next to that picture you see Krispijn, he is a potato farmer and he started the Pieperboetiek, a shop where you can taste potatoes and see how many different kinds of potatoes there are. He never came out of his farm before, but now he starts to realise that he really has to connect with people from the city and present his product. Next to that you see the Dutch Weedburger invented by Lisette Kreischer, also an older academic and she's now at every festival.

We have adopted the philosophy transition theory of Professor Jan Rotmans, of the DRIFT institute at Rotterdam School of Management], Erasmus University (RSM). It shows the kind of transition we are trying to create through many small steps. I believe that at the moment many small niche changes, in the fashion industry but definitely also in the food industry are coming together – and are also already visible in the system itself. The academics that we know also feel that something's got to change, so they come to our academy, and get back to their companies and organisations, connected to all these entrepreneurial people. I really believe that something is changing. The food system is definitely changing. So we believe in the good clean and fair food system; I'm part of the change, you can be part of the change and together we will achieve that new system.



Willem Lageweg

I think we have a lot in common and I will be so polite or free to give you some advice later in my presentation. I am a representative of the Baby Boom Generation, I found my inspiration in the 60s in three areas. I'm a son of a farmer, so I learned from my home that being responsible for your own income, for your profit is very important in life. So I took that with me during my whole life; that's the profit part in me. The 'people part' in me was inspired here, just a few hundred metres from this place. I think hardly anyone here knows ... maybe a few of you have heard of Woodstock? I think maybe a number of you have heard of Woodstock but only a few will know that it's very close to here; this place in Kralingen. There was a pop festival in the early 70s or late 60s based on the Woodstock idea, and I was one of the young people there and got inspired. I was member of the youth movement at that moment, and, well, we were fighting against the old systems of that time. So, people were my inspiration... and I got my inspiration at that hippie period, also that moment here in Kralingen.

Also in the early 70s, the report of the Club of Rome (a global think tank) appeared, about the limits of growth; a very important publication. For me it was, well, a very important publication. I took it with me during my whole career, so I am more or less born and raised in the idea of 'people, planet, profit'. Later on, much later, I found my job in that, in the beginning of the century.

About my organisation: MVO Nederland – [CSR Netherlands] is a network organisation working together now with 2,100 companies of every size, and also in every stage of development of CSR [corporate social responsibility]. You have the frontrunners: Tony's Chocolonely and many others, but you have also a great number of mainstream organisations that are on this road starting from, fossil history quite often. Also we help these type of organisations, and one of my main messages for today is that we need to support, as you said Willemijn [Verloop], the innovative companies to be the best example, to be the best practice.

That's what we have to do, but I also ask for your support for the change agents in those mainstream organisations, and in every, at least big organisation. I think in every small and medium-sized company there are change agents, young people, communicating people, some leaders, worker councils, or whatever you may call them.

In all companies there are forces that want to make their company more inclusive, more sustainable. My plea here is: support also their forces to make the world a little bit more sustainable. That's what we do also in MVO Nederland, we support these changes, these forces in these companies and these organisations. We try to inspire them, we connect them, bring them together to learn from each other. But last year we started to introduce the theory of "drift"– transition theory. It's not only about inspiring people, helping them to learn and to know what can be done, but also to bring them together on a sector level.

We need more young people in boards and steering committees of existing institutes. –
Willem Lageweg

We were talking about the apparel sector, the fashion industry. We guide some coalitions of apparel companies to make the sector more sustainable. That's the second level, but also on the system level you have to intervene, you have to organise a lobby or whatever you need to make the whole system more sustainable. What MVO Nederland is doing is working on all those three levels. Joining, bringing people together, bringing companies together and creating change.

One final suggestion: I think what you [Joszi] do is very good, joining, bringing young people together, making it a force. And also the examples you mentioned are excellent. I'm also an advocate of bringing people into responsible positions in the existing institutes, like my own institute.

For example Talitha – who will speak later on – two years ago she was a trainee in my organisation. Now she is my boss because she is member of the supervisory board of MVO Nederland, part of a group of six people that decide about, well, my wages for instance or whatever you may decide about. This example shows we need much more young people in boards and steering committees of the existing institutes. I like to help you if you have young people in your organisation or your network, to use them in the mainstream organisations, to bring them into positions where they can have an influence on the moments when the decisions are taken.

Bas van Abel

As a social entrepreneur I am in the phone business – something either went wrong or I did something that I didn't know what I was doing three or four years ago. Well it is the latter. Three or four years ago I was not expecting this to happen. But let me go back to what happened and why I am in the phone business all of a sudden, and why I am standing here with a stone. [Shows a stone]



This stone here is a stone from Congo. This is actually from a mine in Katanga, but there are a lot of mines in eastern Congo. In eastern Congo, and also southern Congo, there are a lot of things going on with the minerals – and we all know there's a lot of things going on in Africa of course.

This specifically is minerals being mined under pretty bad conditions, but it's also connected to conflicts, to conflicts that have been going on for 10-15 years already. Millions of people have died, that's something we also know about Africa, but what is the relationship between what happens there and what we are doing here?

Let's go back to the stone again, because these stones, these minerals are being used in small electronics, small electronics like this stuff over here [pointing at the object on PowerPoint]. It's pretty big on the screen but it's actually very small; it's stuff that makes our phones even smaller. It's an electrolytic capacitor. It's coltan [short for 'columbite-tantalite'], and coltan is being used for phones to make them thinner, small electronic devices. One of the things we did three or four years ago, we were thinking: "Ok, so that's pretty crappy. That's pretty bad. You know, what can you do about it? How can we create a campaign and awareness around what's happening in Congo?"

And the relation is there, because there is a relation, a very tangible relation between these conflict

minerals and the devices we use. It might be in any device we have because that's how supply chain works. We don't know where it ends up, it becomes very complex. So it's pretty damn difficult to tell that story in a campaign, because one of the things you need when you set up a campaign, you actually need the bad guy or you need a solution, and we didn't have either. So what we thought was: "You know, if we can identify what's going on, we can at least debate around it and see if by surfacing these things, we can do something about it."

But how do you start? Well, that's why we thought: "Well, everything comes from the ground. It grows on the ground, comes out of the ground, and so on, to electronics." Everything – everything – we have around us comes from the ground and it goes in the ground. So why not just start from the mines? Just go there and see if we can find out what's happening, because that soldier in the mines, you know, is he a victim, or is he the cause of the problem? Or is the shareholder of that big company making these phones, is that the problem? Or is it the company itself?

What is a company? You know, it's basically a system. So what are we dealing with? We are dealing with an economic system, basically, an economic system which is connected to the supply chains. So let's go into that supply chain, and let's say we are going to make a phone, because how difficult can it be – because it all starts from the ground? So we went to Congo and we found the mine. We found minerals in the mine, and there were no conflicts related to the mining of that mineral.

It doesn't say it's all good, it's just says what it is. There are no conflicts related to the mining of that mineral, also not this mineral.

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We are in a time that people actually can make that statement and do something about it, because we have all the systems in place. – Bas van Abel

So I had that stone, and I thought: "You know, if you really want to change systems, well then you really have to have commercial value. You have to have a product. And if you have a product, well you need buyers." So that's when I thought I'll take the stone, go back to Holland and find someone that can buy that stone. So that's when I met Peter [Westgeest]. We went to KPN. I told KPN: "Listen guys, this is a very special stone; if you have some imagination it will become a phone! And we are going to make a phone trying to make it as conflict-free as possible. We are going to look at the work conditions. We are going to look at the whole holistic thing and we are going to put values first. But it's still a stone!" And Peter said: "Wow, that's great. I think we can do something with that." Which was kind of not expected. And the weird thing is that in the end, KPN signed a contract buying a thousand phones that didn't exist, for a price we didn't know, from a company that never made a phone before, and a company that wasn't even a company at that point, because we were just a project and just people with an idea.

Having that contract we could take the next step. Well, where do you go if you want to make phones? Well you go to China. So we went to China and you know guys, we did the same thing: "Listen, we have this fantastic thing!" I put the stone on the table and said: "It's conflict-free, fair working conditions, we are going to pull things together." I put the contract of KPN on the table; 1,000 phones, which is really nothing in the industry. They looked at us and said: "Yeah, there is some value in that and we know that." And I was going on like: "It will all be beautiful and, oh yeah, by the way, we don't have any money... but we can get there."

So with that factory we work with, we made that phone Peter's holding. We made an agreement: we were going to sell their phone, the phone that they were going to develop with our minerals and with our production processes. And if 5,000 people would buy it, then we were in business.

So we opened up a button on our website and we said: "Listen people, if you are going to buy this phone and we are going to sell more than 5,000, we're going to do it." And then, within a few weeks, we sold 10,000 phones. Actually we sold over 25,000 phones before we had even produced the phone in the next following months. And the weird thing is that for me, I totally panicked! Of course, that was the first reaction to it, but the great thing is what happened with Peter and his belief in this company. This is something that can change something. You see something that's not there – but it's going to happen. All these people that bought that phone for 325 euros – we are talking about 7.5 million euros from people putting their money where their mouth is, before there is even a product!

That was a huge, huge statement and I think that that statement is what it is about; that we really see that people want to change something from the consumer perspective. We are in a time that people actually can make that statement and do something about it, because we have all the systems in place. So, that's my getting from being a designer, running a design-lap into becoming a phone company – which I still don't believe I am phone producer in that sense but... yeah!

Peter Westgeest

Maybe I can add something to the story of Bas, coming from Generation X. Cynical, maybe, pragmatic. Maybe something about my normal job. Is there anybody in the room who doesn't have a mobile phone? [No hands shown] Oh, normally it's one of two who say it's lost or stolen but everybody... [a hand goes up] You are the one? Is it lost or stolen? [audience member says: "I don't really need it"] You don't really need it? Ok, that's one in the audience. Someone else? [member of the audience says: "Well I don't have a SIM card, does that count?"] When this morning I told my marketing department that I'm going to an audience of Generation Y, they ask: "Can you find out what kind of mobile phones they have?" And they said – and I will check it later – they said: "Well, we checked looking at the age and segmentation that 55-60 per cent will have an iPhone, 20-30 per cent will have an Android phone like Samsung or LG or Sony, and 10 per cent will have just a regular phone, the old-fashioned Nokia." And only here is the challenge – they said: "2-3% will have a Fairphone."

Can you please raise your hands who has an iPhone? [Hands raised] Well that's 50 per cent I guess. Anyone who has an Android phone like Sony, LG? [Hands raised]. 20-30%. One of the regular phones, we call them old-fashioned Nokia's? [2-3 hands go up] Yeah, they are still in the audience. [Laughter] They are becoming less and less but they are still here. Now the final question: How many people do have a Fairphone? [Several hands go up]. Ahh wow, that's more than I expected, but that's also because of the special audience here of course today.

This is my normal job; just to find out what kind of mobile phones are needed for our customers within KPN, and therefore I'm buying roughly about one million terminals a year. So indeed, talking about 1,000 phones is not very much. But it's a very challenging job, because you also have to deal with vendors like Samsung, like Apple or the well-known Sony, LG etc. I seldom have to deal with guys like Bas. But when we approach parties like Samsung, like LG, we always ask them: "Are you

doing your business in a fair way?" And then they say: "Well we are doing it as fair as possible," and then we talk to them about fair mining, for example what Bas told you about the Congo, and then they say: "We try to be as fair as possible, there's a lot of things going on there. There is illegal trade and we cannot just smell or see whether it's illegal or not." And as being an operator, you have to take this for granted unfortunately, because we don't know it either. It is very difficult to have those kinds of discussions.

That was one of the main drivers for Fairphone within KPN: changing the system from within by proving that it's possible to make the whole system more fair. – Peter Westgeest

Then it came in that I'm already this bit for 15 years and suddenly there was a pause. He [Bas] said: "You can make a difference, you will be able to assess whether the basic materials of a mobile phone are fair or not."

And that was really what hit me, what inspired me to say "Well, let's give it a try, but, not only on a commercial basis, not only by saying 'well our customers, they do need a fair phone'. Let's have that in our portfolio." That's my regular business, but also, when I do have those kind of fair phones, we can change part of the system from within. I can go to Apple, I can go to Samsung and I can ask them: "Why are you not able to produce this kind of phones? Why can't you?"

74 | That was quite a challenge but as we already talked about it, it's really about convincing the CEO, with having a stone [referring to Bas's stone] and having some kind of a contract with a company we have never done business with. Actually it didn't exist back then. A terminal with no specifications at a price we didn't know! Our legal department was strictly against it. They said: "You will be fired when you sign this contract, because we never do these kinds of contracts." So I had to come to the CEO and he said: "Well, what should I do with this?" A big company is always risk-avoiding – always. And the legal man, he said: "If you sign this, we have a risk, because he can deliver some kind of lousy phone. He buys it for 20 euros and sells it to you for 450 euros and you have to buy." So the risk is around half a million euros, something like that.

"So, I don't sign", the CEO said. And I only had one question for him, I said: "Why should Bas do this? It's all about trust. You met him, you have seen the storyline about Congo, you have seen his storyline about his stone. Why should he do this?" And the legal department said: "We won't sign this because we never sign this." And I said: "Well, let there be one difference in 20 years. Please sign and let's see what happens." And then our CEO – I have to admit – he left the company unfortunately. This was the CEO of KPN mobile. He [the legal department] then signed and there we started.

And I think that it's an interesting thing what happened between the young entrepreneurs; a lot of risk-taking, and a risk-avoiding big company like KPN. Somewhere you have to meet, somewhere. It's between professional and personal, and about trust. And if you get that triangle right, I think you can really get things done. And that's more or less my storyline from the commercial part to the stone in the Congo.

Simon Pickard

I am the director general of ABIS, based in Brussels. It's a global network of multinational companies, business schools and universities with a shared focus on corporate responsibility and sustainability. Our roots are very much about the development of young talent. Going back to 2001-2002, a number of the biggest companies in Europe: Shell, Unilever, and at the time IBM, Johnson & Johnson and so forth, got together and said: "We have a fundamental problem. We are struggling to understand what's happening in the world with globalisation, shift of geo-economic power and influence and we don't know how to manage sustainable development.

[He continues the quote] "But the bigger problem is that when we look at our talent pipeline, such as business schools and universities, nobody is teaching this. So we have a fundamental challenge for the future, because the people we are recruiting into our companies, haven't got a clue. If they don't have a clue, then maybe our future doesn't look quite so bright.

The European Union is finally trying to get its head around what contribution Generation Y is really going to make to sustainability. – Simon Pickard

"So over the last 10-12 years what we have done is built on European roots, increasingly at international level, to try and bring business, business schools and universities together in different types of collaboration, partly in research, partly in education and learning, to try and figure out how you generate not only the knowledge that has to fill different training and learning programmes, and to inform the way the companies are managing sustainability, but also thinking about the new learning approaches, the new frameworks for education, as pleasingly apply to Generation Y." [The quote concludes]

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That's a little bit of background about the organisation. I have to say that when I first got the invitation to come, the first feeling was one of resentment, because I'm only five years removed from Generation Y and I thought it was just a tiny bit unfair that I was being categorised as a different generation, but then when I saw 'Pragmatic' as one of the key characteristics of this generation I actually think that that is a term I would readily accept. The ten years that I've spent with ABIS has perhaps knocked some of the idealistic edges off me and made me a lot more pragmatic and realistic about what we are trying to achieve in this day and age.

Let me also try to put this in the context of what's happening in a more international landscape. That is really the crux of my remarks this afternoon. So I would like to talk a little bit about the new alignment of European levels, in particular of Generation Y, entrepreneurship, innovation and sustainability; about what that means to business but what that also means for science and technology.

I imagine that many of you know that back in 2010, the European Union launched its 10-year-strategy: Europe 2020. What do you remember about what the defining three characteristics were? [No answer] Smart, sustainable, inclusive. That was it. It was to transform Europe into the most innovative, dynamic economic zone by 2020 through new approaches to creating innovation or research in innovation driven competitiveness, great focus on sustainability, including transitions to a low-carbon economy and inclusive societies. So that's all good and well. That's the big picture agenda.

But then you could turn around and say: “OK well, what have they actually done about it in the last five years?” I would argue in the context of today’s lectures: not very much. It has been very fragmented. There has been something on energy, there has been something on corporate responsibility – on mandatory reporting, there has been very little on education. After five years, however, I think we are getting to a very important tipping point: the European Union is finally trying to get its head around what contribution Generation Y is really going to make to this longer-term sustainability horizon.

How is Generation Y going to be the key driver for the smart, sustainable and inclusive growth? That is the chief strategic priority for the European Union. So I wanted to reference a new project that we are actually in the process of designing, a proposal to go to the European Union in about four months’ time. It has a budget of about 3 million euros, to ask as a much higher scale what Talitha Muusse has been exploring, and what makes your research incredibly timely. [See Chapter 3]. I tend to agree that it hasn’t really been done yet, because there is a broad assumption that Generation Y is going to be this transformative influence on society, radical change agents, disruptive innovation etc. etc., and that will somehow deliver us to a bright sustainable future.

I share that aspiration, but I also offer a couple of words of caution. And I have put this in the context of the questions that the European Union is asking today. The questions that they are asking are not limited to entrepreneurs. What they want to know is how Generation Y in Europe understands the complexities and challenges of socio-ecological transitions. But if we are going to get to 2050 with the smart, sustainable, inclusive society in Europe, things have to change across all kinds of different institutions, systems and societies. So the entrepreneurship part is very, very important. But they are also asking is what this Generation Y expects and understands about the role it will play in politics. What does it understand about the role it’s going to play in community building and societies?

This is the time when Generation Y communities are increasingly virtual. So, how is Generation Y actually going to be a driver of intergenerational inclusion and sustainability? I here offer one of my more pragmatic, even sceptical notes. If we went back to some of the conclusions that the research [Chapter 3] shows about opportunities, also talking to business schools, listening to people who are really passionate about doing something, about creating an enterprise, making a contribution in the society: the success of Generation Y as driver of sustainability is very much linked to the peer level. There is something very distinctive about Generation Y. It is the first generation that is designing the technologies that its older generations and its predecessors are increasingly having to use.

Think about the social media, think about new businesses being driven by the Internet. My father doesn’t know how to use a computer. He is 71 years old and I’m not sure he is really that capable of learning. That is not to be overly cynical about my dad’s intelligence, but there is very much the sense that Generation Y sees great opportunities for innovation, new company creation, great thinking and ideas but there is a rapidly aging population not just in Europe but elsewhere in the world. And so the purpose, the passion that you see in Generation Y has to be harnessed for the greater good and that means taking into consideration the needs of people who are in Generation X, Baby Boomers, Lost Generation and so forth. You are also going to have to pay Generation X’s pension. [laughter in the audience] There is this implicit challenge that while we are, I think, trying to get a better understanding of what the potential contributions of Generation Y are going to be to the

economy and, potentially, to society in years to come. We cannot overlook the fact that Generation Y has a fundamental role to play in engaging communities, real human communities, not simply technology-driven ones, and in also deciding the rules of the game and the rules of society. I often feel a little cautious about it when we have all of these glossy magazines that say who's going to be the next Mark Zuckerberg. Do people that say: "I want to be!" say that because they really want to create a better society – inclusive, intergenerational, more equitable – or is it to be worth 30 billion dollars by the age of thirty?

I am not sure that all of the motives are correctly aligned. However, I don't want to leave on a pessimistic or cynical note. It is very clear from Bas and others today that new technologies and the opportunities for users, innovators, entrepreneurs to connect, wherever they are in the world, to try and come up with creative, innovative solutions to our grave societal challenges today, is unprecedented – and with the right kind of engagement in the way that we set the conditions for these to happen, whether they are in physical form or virtual. There is a huge opportunity for Generation Y to make a massive difference. But my closing message is: please don't forget about the old ones amongst us, because we are going to need you as well.





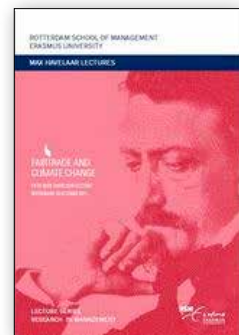
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GENERATION Y CHALLENGES YOU!

ARE YOUNG SUSTAINABLE INTRAPRENEURS AND
ENTREPRENEURS GOING TO MAKE A DIFFERENCE?

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The Max Havelaar lecture is a recurring annual event. It serves five interrelated goals:

- Provide a platform for the presentation of state-of-the-art scientific insights into how sustainable business and development cooperation can be combined;
- Discuss the advantages and disadvantages of the involvement of corporations in poverty alleviation in a systematic and non-ideological manner;
- Address the complexities of sustainable development rather than engage in simplifications in order to come up with realistic – and obtainable – approaches to addressing in particular Millennium Development Goals;
- Discuss the strengths and weaknesses of specific approaches such as trade marks, codes of conduct, reporting or governance measures;
- Provide an arena in which innovative ideas and structured dialogues can be launched.

Each year, a leading scholar is invited to hold the key lecture which is accompanied by statements from leaders of the business community, civil society and government. The lecture is held at the Erasmus University Rotterdam, as a legacy to Jan Tinbergen, the former Nobel Prize Laureate in economics and leading thinker on sustainable development. The lecture is open to the public.

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