Porter's new manifesto

by Mark Esposito *

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There is an unmistakable appeal in writing this comment from Boston, right after having lived two days in Porter's company at Harvard within an endof-year workshop for the network of the Microeconomics of Competitiveness (MOC) program, created by him and launched at the beginning of the millennium. MOC was born with the intention of gathering together a large group of academicians regarding the topic of competitiveness in various regions of the world, analyzed under the magnifying lens of clusters, a small miracle of our economic systems, when they actually work. It is precisely under this perspective that we are surprised how Porter's article radically changed the way of thinking and the way of implementing strategies, with respect to the times when the "five forces" and the concept of competitive advantage were presented in his most historically important works between the 1980's and 1990's. It is important that we focus on this new approach, in order to discern an aperture towards a truly new conception of organizational culture or, on the contrary, to verify if this deals with a keynote update aimed at imparting a more modern image. to the detriment of a true reflection. To doubt is legitimate, especially in an era in which importance towards "green" or "social" issues has become an often lucrative trend. We must trace back to the beginning of the 1990's to find the first clues that led to the transformation of Porter's thought process, in that which was defined the Porter hypothesis. The latter referred to a greater efficiency of the industrial processes, provided that environmental regulations were present and well defined on a macro-political level. Porter foresaw, without an empirical support, a possible relationship between restrictive type of rules and the increase of efficiency through innovative processes, in a sort of environmental responsibility induced by that which, today, we call optimization. However, at that time. environmental considerations were not necessarily "in style". There was more talk about a world that was changing, opening up, with an unstoppable desire to conquer it, than about impact, or environmental imprint, with all that jargon that accompanies us nowadays. Several years pass and, in 2006, the same Porter, along with Kramer, dare to integrate society and its main stakeholders within strategic dynamics. This is a true leap towards a new dimension, which paradoxically brings Porter close to the theory of stakeholder management, that, years before, Edward Freeman, had already the courage to theorize.

In that same article from 2006, the concept of "shared value" was shyly mentioned. Four years pass, a financial crisis without precedence, a guilt process for an immoral and often illicit business that Porter proposes with an effective style; a new challenge against that new strategic model, which he himself had voluntarily or involuntarily contributed to come to the surface. Porter called it the "manifesto", since he had already reached the credibility of a guru of the new economic thought process, and wanted to break away from a system that was chronically nearsighted and with which he does not identify himself any longer; a system that was often destabilized by those who use the "zero-sum society" to barter negative impacts with social responsibility strategic agendas, mostly to mask themselves as good citizens in the eyes of those who pass judgment. This article does not want to replace capitalism with a new system of governance, but it wants to reform it with respect to those dysfunctional mechanisms that almost made it terminally ill. Porter ad Kramer speak of a world of economics where companies will not resolve the problems of the world, but it will be these problems that will give business back its dignity to exist. This is a view that is expanded to a game, which does not mix economics to the detriment of social issues, but that uses the latter as a creative strain aimed at seeking new opportunities for economic development. The article speaks to us with a language that is more modern, accessible, and engrossing, global in its comprehension, yet, local in its actuation. Therefore, this is an article that is, once again, able to breach and create an historic trajectory. It is the message of a giant of thought who, perhaps, as one of his last efforts to honor the gods of economy, speaks of an Olympus where capitalism still emanates that miraculous creative energy that uses the strengths of entrepreneurship and prosperity as semantics of equilibrium. It is surely a great stimulus for demonstrating the courage that is today essential in implementing the changes for which a pressing need is detected.

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