



## TACKLING GLOBAL CHALLENGES:

# Lessons in System Leadership from the World Economic Forum's New Vision for Agriculture Initiative

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#### THE NEED FOR SYSTEM LEADERSHIP

A special form of leadership, system leadership, is needed to tackle global challenges like food security, climate change, job creation, and gender parity.<sup>2</sup> These challenges are complex and systemic, rooted in the actions and interactions of diverse yet interconnected, interdependent stakeholders. The solutions require these stakeholders to change the way they operate. Top-down, controlled, linear approaches do not work, because no single individual or organization has sufficient knowledge, resources, or authority over others in the system. Instead, the answers emerge as many different actors experiment, learn, and adapt within parameters that are always changing as a result of one another's efforts. Over time, they develop new technologies, products, services, business models, public service delivery models, policy and regulatory innovations, voluntary standards, and cultural norms and behaviors that together deliver new results. System leadership can help align these efforts to accelerate progress and achieve more sustainable and inclusive growth.

#### THE DIMENSIONS OF SYSTEM LEADERSHIP

System leadership starts with the individual leader, but has individual, institutional, and interactive dimensions:<sup>3</sup>

- Individual system leaders play key roles within and beyond their own organizations in ways that benefit both those organizations and the broader systems in which they operate. They engage and inspire others, serve as champions of change, and provide and mobilize support for interactive leadership structures. They often have to take risks and cooperate with non-traditional partners in order to challenge the status quo.
- Institutional system leaders are organizations that pursue their
  own interests in ways that intentionally contribute to the health of
  the systems in which they operate. They can advance systemic
  change through unilateral efforts to innovate and influence
  others, project-based partnerships that leverage diverse
  resources and capabilities, and broader networks that amplify
  voices, align efforts and facilitate collaboration among many
  organizations.<sup>4</sup> In order to make these strategies effective, internal
  organizational change and capacity building are often required.

 Interactive system leadership comes from a special type of organization that mobilizes, supports, aligns and coordinates the efforts of individuals and organizations across the system to accelerate and scale progress. Commonly called backbone organizations, multi-stakeholder initiatives, cross-sector coalitions or partnership platforms, these interactive structures identify and engage relevant stakeholders, bring them together and build trust across traditional boundaries, uncover and promote opportunities for collaboration, secure resources for collaborative work, and facilitate mutual evaluation, learning and accountability.

These three dimensions are interdependent and equally important in tackling complex, systemic challenges. Analysis of lessons from the World Economic Forum's New Vision for Agriculture (NVA) initiative highlights three key roles of system leaders, summarized below.

#### **KEY ROLES OF SYSTEM LEADERS**

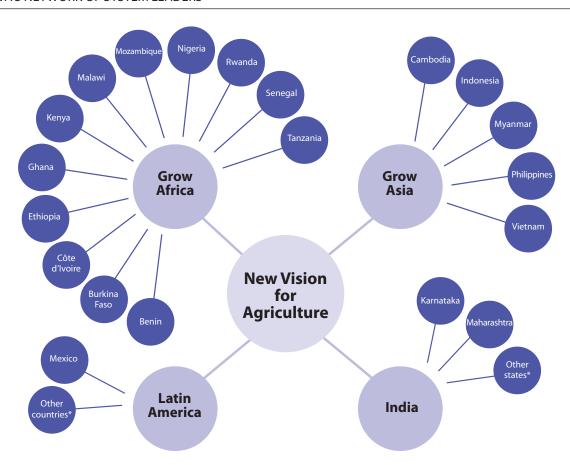


#### THE WORLD ECONOMIC FORUM'S NEW VISION FOR AGRICULTURE (NVA) INITIATIVE

The World Economic Forum's NVA initiative is one example of individual, institutional and interactive system leadership in practice, and a rich source of insight for those seeking to exercise it. The initiative aims to transform agricultural systems to improve food security, environmental sustainability, and economic opportunity. It does so through a combination of market-based approaches and policy innovations targeted at specific agricultural value chains and locations, and delivered through collaboration among governments, companies, farmers' associations, and civil society organizations. Since it was established in 2010, the NVA has engaged more than 1,400 individual leaders in these sectors, including senior level champions, operational practitioners, technical experts and thought leaders. Over 500 institutions have

been engaged. They are working through a variety of country-led collaborative initiatives, currently underway in 19 countries, supported by two regional secretariats—Grow Africa and Grow Asia—and a global network. The NVA is at an early stage in what will be a long-term process of mobilizing, supporting, aligning and coordinating the many actors needed to drive systemic change. Nevertheless, it demonstrates how the different dimensions of system leadership can come together to create momentum for such change, especially through country-led and locally-driven initiatives, which are the driving force for action and investment on the ground.<sup>5</sup> Examples of how the three key roles of system leaders are being implemented in practice through the NVA network are summarized opposite.

#### THE NVA'S NETWORK OF SYSTEM LEADERS



In addition to the regional secretariats—Grow Africa and Grow Asia—and the country-led initiatives in the NVA network, the NVA team also works with:

- A group of World Economic Forum partners in the Global Challenge on Food Security and Agriculture, including an NVA Project Board comprised of approximately 30 private sector executives who provide strategic guidance to the NVA;
- A Global Agenda Council on Nutrition and Food Security, which provides expertise and thought leadership on these topics and consists of about 20 experts from different sectors;
- A Transformation Leaders Network, which provides an interactive platform for some 150 individual system leaders, many of whom are practitioners, to learn from each other and share challenges, lessons and good practices.

<sup>\*</sup> Other countries and states are exploring additional partnerships, including Brazil and Nicaragua in Latin America, and Andhra Pradesh and Madhya Pradesh in India.

#### LESSONS IN SYSTEM LEADERSHIP FROM THE NVA

#### **ROLE 1. CULTIVATE A SHARED VISION FOR CHANGE**

#### Lesson 1. Understand the system

To better understand key dimensions of global and national food systems, participants in the NVA network have undertaken research and analysis to map the system and identify and clarify issues, and have invested time to reflect on their own experiences and better understand the perspectives of other key players in the system. In Tanzania, for example, a cross-sector group worked together to undertake research, modeling, consultation and dialogue in developing a comprehensive investment blueprint that supported the creation of the Southern Agricultural Growth Corridor of Tanzania (SAGCOT) Centre.

### Lesson 2. Identify and engage key stakeholders

NVA participants have invested heavily in building and managing relationships to drive system change. They have focused on identifying and engaging key changemakers, especially influential champions and leaders from traditionally under-represented groups, such as women and farmers, with special attention paid to activating and supporting key stakeholders at the national and operational levels. In the Philippines, for example, building on existing networks, corporate CEOs and farmer leaders stepped forward to volunteer to lead specific working groups.

#### Lesson 3. Facilitate co-creation

Key stakeholders cannot just hear a message developed by others—they have to experience and own it, and develop trust in each other to implement. The NVA network has facilitated the co-creation of both an over-arching global vision and context-specific goals and plans for implementation by convening stakeholders regularly: first, in high-level events to develop and sustain top leadership support, and second, in practitioner forums to co-create solutions for specific projects. These processes have been designed to tap into and transform diverse ideas into action plans.

#### **ROLE 2. EMPOWER WIDESPREAD INNOVATION AND ACTION**

### Lesson 1. Align incentives within and across organizations

Incentives need to be aligned to encourage many different stakeholders to act and interact differently, both within and beyond their own organizations, usually through reducing cost and risk and/or increasing expected reward and opportunity. To do this, participants in the NVA network have combined ambitious strategic goals with concrete performance targets within their own organizations, and formed a variety of partnerships to align risks and benefits externally. The Public-Private Partnership for Integrated Agriculture Development in the Indian state of Maharashtra and the Partnership for Sustainable Agriculture in Vietnam are two examples of formal multi-stakeholder partnership platforms that have been created to align incentives and mobilize resources targeted at specific commodity value chains.

### Lesson 2. Strengthen individual and institutional capacities

Once stakeholders have the incentive to act and interact differently, they need the capacity, ranging from technical and managerial skills to those needed to work in partnership. NVA participants have invested internally in their own organizations to strengthen individual skills and institutional capabilities, and facilitated knowledge exchange and learning across the system. Examples include the Transformation Leaders Network, which connects more than 150 individuals playing system leadership roles in some 30 countries, and the development of a practitioner-focused Country Partnership Guide, which distills lessons on building country-led collaborative initiatives.

#### Lesson 3. Mobilize financial resources

Different types, tenures and combinations of financial resources, from commercial equity and debt to public funding and philanthropic grants, are needed to fund innovation in new products, technologies, business models and collaborative initiatives. Participants in the NVA network have convened diverse stakeholders to identify financing needs and opportunities, and to develop and use blended financing mechanisms. Grow Africa, for example, has worked with public and private partners to mobilize commercial investments and public finance for specific value chain projects, and to develop innovative financing mechanisms to stabilize supply and demand, blend different risk appetites and lending criteria, and mitigate risks inherent to agriculture.

#### **ROLE 3. ENABLE MUTUAL ACCOUNTABILITY FOR PROGRESS**

### Lesson 1. Develop clear stakeholder consultation and feedback mechanisms

Mechanisms such as impact assessments. stakeholder dialogues, advisory councils, liaison teams, surveys, social media, hotlines, and grievance procedures can help to strengthen transparency, accountability and trust, identify emergent issues and unintended consequences, and build an evidence base for better decision-making and communication. Grow Asia, for example, is developing an engagement and accountability framework composed of a multi-stakeholder Steering Committee, sector-specific advisory councils, a project design checklist to ensure integration of social and environmental considerations, a common monitoring and evaluation framework, and a grievance policy.

### Lesson 2. Measure and report on mutually agreed indicators

Reliable results measurement is the basis of mutual accountability, trust building, learning and better decision-making. It is also very challenging in the context of system change where innovation and action are happening at many levels and causality is difficult to prove. Participants in the NVA network are working together at the regional, country and project levels to identify a small number of common indicators and co-invest in impact assessments and capability-building in order to address some of the key challenges and costs associated with measuring and attributing results.

### Lesson 3. Establish credible governance structures

Credible governance structures are essential for ensuring effective risk management and oversight, advising on strategic direction, and building trust with skeptical stakeholders. They are particularly important for collaborative initiatives whose funding and operational models are still relatively untested. Those involved in the NVA network are building a variety of governance structures with different stakeholder mixes, reflecting local context, constraints and objectives. Most aim to facilitate representation of diverse perspectives, and to ensure public clarity of roles and responsibilities.

#### MAINSTREAMING SYSTEM LEADERSHIP

There is an urgent need to mainstream the practice of system leadership at the individual, institutional and interactive levels in order to tackle the global challenges that we face. In 2015, United Nations member states adopted a series of historic global agreements, including the Addis Ababa Action Agenda on financing for development, the 2030 Agenda for Sustainable Development, and the Paris Agreement to address climate change. To realize these ambitious commitments, we will need new approaches to leadership that combine domain expertise and technical skills with the ability to think and act systemically. More than ever before, there is a need to facilitate widespread learning, innovation, and implementation of many diverse, interlocking solutions that together transform entire systems.

### The New Vision for Agriculture initiative and other crucibles of system leadership are starting to deliver these approaches.

They are building connections across a variety of sectors and systems to improve economic opportunity, environmental sustainability, and social progress. They are cultivating a shared vision for change, empowering widespread innovation and action, and enabling mutual accountability. And they are breaking new ground in developing the types of system leadership that are needed to accelerate change and scale impact. Most are still at an early stage and they face challenges and critics, but they are demonstrating what is possible. Now system leadership must become less of a special concept and more the *de facto* way of operating.

Mainstreaming system leadership will require greater, more deliberate, and more courageous investment by today's leaders in all sectors. None of this is easy. New models of individual, institutional and interactive system leadership will not evolve on their own at the scale or speed that is required without targeted support and incentives.

Today's leaders in government, business and civil society need to:

- Develop and reward many more individuals with the mindsets, skill sets and networks required for system leadership. This must become a key focus of graduate and professional education as well as organizational hiring, leadership development, performance evaluation, and succession planning.
- Adapt internal organizational strategies, structures, processes and delivery models to be more effective at working in partnership and through broader networks.
   This requires a combination of internal leadership and change management, and a more supportive enabling environment led by investors, other funders and regulators.
- Make long-term investments in the interactive structures
  that serve to strengthen communication, coordination
  and collaboration among diverse actors and sectors. This
  requires sustained investment in money, time and talent to
  build backbone organizations, multi-stakeholder initiatives,
  cross-sector coalitions and partnership platforms. It also
  requires the analysis, documentation and dissemination of
  lessons on how to best design, manage and measure the
  impact of these interactive structures.

The investments needed to mainstream system leadership are significant and may be uncomfortable, even risky, in the short term. Yet, they create enormous opportunity for long-term impact. Today's leaders in all sectors must be willing to make these investments. In doing so, they have the potential to change the *status quo* fundamentally, developing individual leaders, institutions, and systems that are fit-for-purpose in an increasingly complex and uncertain future.

- 1. The authors extend their sincere thanks to their colleagues at Business Fights Poverty, especially Piya Baptista, the Mossavar-Rahmani Center for Business and Government, Harvard Kennedy School and Alison Beanland. Many thanks also to members of the NVA initiative team at the World Economic Forum, Grow Asia and Grow Africa, the group of reviewers, and the many people who participated in the interviews and discussions that informed this case study. They are listed in the full report.
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   The concepts of complexity, systems, collaboration, and system
  - leadership are widely used and have a long history. In addition to our own work over two decades on building public-private partnerships for development and strengthening ecosystems to scale inclusive business, we have found the work of Peter Senge et al on system
- leadership, FSG on collective impact, Ronald Heifetz on adaptive leadership, Stanley McChrystal on network leadership, and the Partnering Initiative on cross-sector collaboration particularly helpful for this case study. The academic and practitioner research reviewed, along with over 30 interviews, is referenced in the full report.
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For the full report, please visit www.hks.harvard.edu/centers/mrcbg/programs/csri/research-publications/research-reports For more information on the NVA, please visit www.weforum.org/agriculture