Vancouver Board of Trade Conspiring to Change the World for the Better 14 September 2011 – Fairmont Waterfront Professor Stephen J. Toope President and Vice-Chancellor The University of British Columbia

Thank you, everyone, for this opportunity to be here with you once again.

Our annual lunch date is one of the high points of my calendar. I warmly remember how you welcomed me as a newcomer to Vancouver, and I have enjoyed these opportunities to speak and to listen, to identify the strong areas of shared purpose and vision, and especially to discuss how we might work together to accomplish shared goals – a topic I especially want to address today. I feel that the maturing of our relationship over the past six years reflects mutual respect and understanding of the bonds that exist between this most influential of business associations and my university, the University of British Columbia. We, like you, are economic agents. You may have heard me speak of the fact that UBC accounts for some \$10 billion dollars of annual economic impact in British Columbia. Our reputation among the world's top universities draws a tremendous pool of highly valuable talent to this province, and the excellence that this standing indicates enables us to prepare you, your children and your employees for careers on a global stage. Our faculty and students are conducting hands-on practical research relevant to every industry you can think of in just about every corner of Vancouver, British Columbia and the world. We have facilities in hospitals, forests, aboriginal reserves, urban neighborhoods, media production studios, and right downtown at Robson Square which you executive MBAs may be quite familiar with. We have more than 13,000 people on the payroll. We manage an operation the size of a city of 50,000. We are not a business, but we have a lot of experience dealing with similar issues, and working closely with businesses and other institutions like yours.

To be honest, there have been times in the past when I felt I was confronting a very persistent myth of UBC as an Ivory Tower. I hope I've made headway in this regard, but frankly I wouldn't be surprised if some skepticism still existed in this room regarding the relevance of my university to real-world enterprise.

That's OK. I understand. Our relationship is still growing. It's been six years now and I feel that, in the spirit of our friendship, I can now be completely honest with you.

Today, I've decided that based on our strong relationship I can come clean once and for all and tell the truth:

We are not an Ivory Tower.

UBC is, in fact, a leader of a vast and powerful <u>conspiracy</u> to change the world as we know it.

There. I've said it.

Now, before my fellow legal professionals get too excited, let me stress that this is not a <u>criminal</u> conspiracy I'm referring to. When I use the word "conspire" I mean it in its original Latin sense — con spire ---*com spirare*: To breathe together. Nothing necessarily sinister about that.

Nothing terribly clandestine about it either, for ours is not a secret conspiracy. It's actually a very open, public and transparent conspiracy. It is a breathing-together with this express purpose: to make powerful, practical, transformational changes in our environment, in our society, in our wellbeing, in our economy and yes, in <u>your</u> life and in the way <u>you</u> do business.

I'm not saying that we've been doing this while being "under the cover" of an ivory tower. While some may have laboured under that misconception, this conspiracy has been going on for some time, and it is proving to be of great benefit to our co-conspirators, of whom I am happy to say there are many in this room. (You know who you are). I plan to introduce you to a few of them today. And for those of you who are not co-conspirators, you should be. And I'm here to invite you in, using a not-at-all-secret handshake.

You may have noticed that today's lunch was billed as a talk about partnerships that can transform our world.

So what's with this conspiracy theory?

For one thing, I hope I got your attention. And for another I want to <u>draw</u> your attention to a distinction that I think is important.

The word "partner" is a great one. But these days, it can be used in so many fuzzy ways. A partner could be a title in a firm, or it could refer to one person romantically connected to another, or in cowboy style it could just be "howdy pardner."

It's too easy, in my opinion, to think of partnerships just as <u>relationships</u> without necessarily focusing on what those relationships are <u>for</u>.

But when we <u>conspire</u> together—when we breathe together—there is a powerful emphasis on the <u>purpose</u>. That purpose involves some kind of real change or real accomplishment. There is a risk and a benefit. You've got skin in the game. Failure can bring real consequences.

What is our purpose?

Well our highest purpose is <u>not</u> to bestow certificates prized by employers (though the skills, knowledge and capabilities represented by those pieces of parchment are invaluable in your world and mine).

Nor is it even to support a collection of eminent, independentminded professors (though the academic freedom they exercise differentiates the nature of their research from that which you can buy from the private sector).

Our highest purpose – the fundamental reason we exist or should exist — is to change the world for the better.

And if I can be so bold as to say it, that is also the fundamental reason your company exists, or should exist, too. By adding value, realizing competitive advantage, innovating, solving problems, providing benefits, you change the world; and you, yourselves, can prosper.

Dominic Barton is the global managing director of McKinsey and Company and he's also a UBC graduate. In the Harvard Business Review recently he wrote an article entitled "Capitalism for the Long Term" in which he expressed well how and why we share an interest in transformation. He said "Myopia plagues Western institutions in every sector. " He calls for changing how we view business's value and role in society. And he bluntly suggests why we must do that: we can reform the system or we can let the system be reformed for us.

In our university we are trained to resist myopia. But we are nevertheless constantly challenged to be an active rather than a passive agent in this changing world. I believe we share this common challenge.

Why do we conspire?

We conspire because we have learned that the best way to accomplish real, meaningful things that truly change the world for the better is to join forces.

As a university, we have three powerful capabilities; and over the centuries, the mission of universities has evolved to emphasise them. One is to preserve and transmit knowledge through education. Another is to create <u>new</u> knowledge through research. And the third is to actively serve our many communities as good neighbors and citizens.

Optimizing these three capabilities requires a delicate balance that demands constant calibration. We must be a "part of" the world in which we live and also to some extent "apart from" it. Education can't usefully be dictated by popular trends, but it has to be relevant to current conditions. To use management biz-speak, we need to know what's in the box in order to think usefully outside of it. If we come too close, we lose our perspective. If we pull too far back, we lose our responsiveness (and this is where a university does risk becoming an ivory tower).

Our strategy for achieving our purpose and maintaining this balance has always been to identify and hold firmly to our core values as an institution. But once we've done that, we at UBC have increasingly realized that we don't necessarily have to do things just because that's the way we've always done them. We jealously guard our freedom to teach and to learn. We honour our commitments and we assert our responsibilities in society. But after that, everything else is open. Everything. Classwork with real-world impact in neighborhoods <u>out</u> of the classroom. Research, development and demonstrations of technology in collaboration with government and private business. Global agreements that share resources and initiatives with other influential institutions around the world.

Community service learning. Learning exchanges. Co-op work programs. Mentorships. Startup incubators. Infrastructure investments. Joint ventures. Executive learning. Distance Education. Learning exchanges. International MBAs.

Vast conspiracies everywhere you look.

UBC has more than 300 formal agreements with institutions and organizations around the world. More than enough to cause a glut in frequent flyer miles. But that's just a hint at the enormity of these conspiracies.

There are, right now, thousands of people breathing together to make meaningful change in more ways than I can possibly detail to you during a considerate lunchtime conversation. But I want you to know about them, and I want you to locate your own best interests within these conspiracies. So I've prepared a little writeup listing some of the ones that I think will intrigue you the most. It's here for you to look at later today.

That should give us some time to do what I've not done here before but have always wanted to do, which is to share the spotlight with some of UBC's notable collaborators/associates. It's one thing for me to talk about how good it is for UBC to join forces with others to accomplish things, but I think it's much more useful for you to hear from others what that's like.

The first person with whom I'd like to share the mic is Janet Austin, Chief Executive Officer of the YWCA of Metro Vancouver. UBC and the YWCA have been working together for several years to make a difference in the Downtown Eastside. And a number of our students have taken advantage of Community Service Learning and Community-based Research programs as part of their studies.

The YWCA has a rooftop garden that they converted from an ornamental space to an organic food garden, which includes a mini

orchard. The produce from this garden goes into to the kitchen of the Crabtree Corner Community where it helps feed women and their families in the Downtown Eastside. Ask anyone who's tasted them, the fresh vegetables and fruit that come from this garden are <u>really</u> good, in addition, of course, to doing good.

One of our students, Eamonn Watson, got connected with the YWCA through an undergraduate course in Land and Food Systems. His efforts helped the YWCA optimize its soil management and composting practices as well as helped them realize a mini-orchard in the space. Another student—Dennis Fan studying in Applied Sciences—worked with the YWCA to design and build a grey water filtration system for the garden. Today I understand that garden is on the way to yielding one tonne of organic food each growing cycle, and all of it operated and managed by volunteers from the Downtown Eastside. Janet, would you say a few words?

[Janet Austin speaks to the good that's come from this ongoing relationship between UBC and the YWCA, giving a sense for how this strategic partnership has helped her organization, simply, to do more. Through these initiatives, residents of the Downtown Eastside are making a positive impact on their own community, helping them feel a part of something meaningful.]

Thanks Janet. It's an honour to work with you and the people in your community.

Ladies and gentlemen, it's highly possible that you're not involved in urban gardening, or that your business is not located in the Downtown Eastside. But <u>every</u> business is sensitively dependent on the social "ecosystem" of the communities in which it operates and which it serves. In pursuing these projects outside of the classroom engaging with living, breathing, real-world organizations such as the YWCA—our students have developed skills and awareness in community consultation that will benefit any business they work with, not to mention the communities they work in.

The next working relationship I want to highlight with you is one that is going to help UBC achieve its goal of zero greenhouse gas emissions by 2050 and help Nexterra Systems Corporation, the Vancouver-based clean energy startup, launch itself onto the world stage. The initiator of this joint venture was Jonathan Rhone, Nexterra's CEO. Aware of our commitments to sustainability, it was Jon who approached UBC with a proposal that we incorporate a new biomass gasification system into our campus infrastructure to use local wood waste to generate heat and electricity. The concept made shockingly good financial sense, and it fit beautifully into our research agenda; but it required us to change how we manage our infrastructure and rethink our policies about intellectual property.

Remember what I said about holding fast to our values but being open to changing everything else? That's what happened here. This project helped us restructure our policies to better reflect the realities of working with startups, specifically as it relates to ownership of intellectual property. Working together to realize the Bioenergy Research and Demonstration Project are the City of Vancouver (supplying the wood waste fuel), General Electric (contributing the gas engine), Professor John Grace in our faculty of Applied Science researching the project, Nexterra demonstrating its gasification technology and every single person on campus who depends on heat and light when they're there. Jon?

[Jon Rhone speaks to the benefit of the demonstration project to

Nexterra's prospects, what others might expect working with UBC, particularly adaptability and responsiveness. John identifies the unique benefits that UBC provided to this project that, perhaps, he wouldn't have been able to find elsewhere.]

Thank you, Jon.

You may have heard me or others speak of the University as a Living Laboratory. This is a "living" example of that concept. UBC invested \$5.5 million dollars to get this project going. We mean it when we say we have skin in the game. I believe that UBC is out in front of most research intensive universities in this way: enabling companies like Nexterra, perhaps companies like your company, to do research, development and demonstration of breakthrough ideas. Sometimes you can't find that needed partner in the private sector, but it's increasingly possible that you could find it at UBC. Conspire with us.

It's awfully difficult to select just three examples to share with you. I thought of Janet because the purpose of our work together is social transformation. It involves the university's core missions of education and community engagement. And it's close to home. Working together with Jon, Nexterra and our other team members in the Bioenergy project has as its purpose economic and technological transformation that involves our research mission. And it's a great example of our University responding to ideas and initiatives that come <u>to</u> us, from people like you. That is something, frankly, that I hope to see happen more often.

The third story that I want to share with you is a global one. And it's also one of our newest. You may recall that at last year's lunch I devoted my remarks to how you could use UBC to enter, or improve your position, on the world stage. For those of us on the Pacific Rim, that often translates to emerging markets such as China and India. These are very important, and UBC has a large number of initiatives—in place and in process—in places like these. But global means the whole globe. And if there's a continent that has been thinking and working globally the longest, it is Europe.

Among the many institutions that UBC has strong working agreements with is the University of Copenhagen. We've been collaborating in various ways for quite some time. There is a good fit here. Our values are closely aligned and our cultures are compatible. They, like we, have strong commitments to sustainability. They admire our focus on entrepreneurship, and we admire their strengths in business design thinking.

One area in particular where we both saw great opportunities for working together is in healthcare. We have had a relationship with Copenhagen University since 1994. It is something that has been cultivated by Life Science Ambassador Søren Harbel, and this spring it blossomed into something much stronger and more extensive.

In June I was privileged to go to Copenhagen along with several of my colleagues and there two important conspiracies were formalized. One is a very close strategic relationship between our Faculties of Pharmaceutical Science. This will enable some very exciting collaborative research and the opportunity to participate in Europe's Innovative Medicines Initiative, which is a public-private initiative kick-started with a four billion Euro initial investment. Its purpose is to fund collaborative research and build networks of private industry and academic experts to boost pharmaceutical innovation and accelerate the discovery and development of better medicines. Our respective faculty, graduate students and postdoctoral fellows will

work on both campuses and share research. We've already held a symposium in Denmark, and another will take place here later this year.

Just recently an executive MBA team from Vancouver spent a few weeks in Denmark, studying, visiting healthcare facilities and examining the best practices of public-private health care delivery in that country. This was the first part of another strategic affiliation, between our Sauder School of Business and the Copenhagen Business School whose purpose is to provide practical, real-world global experience, and global exposure, for our students, our faculty, and theirs as well.

Last week the Acting President & Dean of Research of the Copenhagen Business School, Alan Irwin and the Dean of Education, Jan Molin, paid a reciprocal visit to our campus. While they were here I invited them to say a few words to you. They are back in Denmark now and rather than impose the nine-hour time difference and the vagaries of the Internet on the task, we thought it better to ask them to record their remarks. They kindly took a moment out of their schedule and left this behind for you. [Screen shows video clip of Alan Irwin, who speaks to the necessity and practical benefit of global collaboration in business in general and business education in particular.]

In 1624 the poet John Donne wrote "No man is an island entire of itself." One way to rephrase that idea for business in the 21st Century is, "No one does everything in house anymore." That's a more prosaic expression, perhaps, but the point is similar.

If you have a purpose, it's wise to communicate it, because in doing so—in making it public—you will both find and attract others who share your purpose and who, potentially, have complementary capabilities to help you fulfill it. UBC is, realistically, a vast resource of capability, right in your neighborhood, and we are eager to work with you. No matter what you might wish to accomplish, in almost any area, the chances are that we share your goals and can conspire with you to reach them.

Conspire. *Com - spirare* "to breathe together." I like this image. A team of different people, gathered together in a huddle, breathing together as they formulate a plan.

Breathing together... There are two additional senses of this image that I'd like to suggest to you as I conclude.

The first is that we can no longer ignore the fact that <u>we all breathe</u> <u>the same air</u>. This is literally true of our environment but only recently have we come to truly feel it. It is our shared resource and our shared responsibility. This is the essence and the urgency of sustainability as it relates to our world, our economy and our society. It is also metaphorically true that we breathe the same air in enterprise. As businesses and institutions operating in an increasingly interdependent global environment, we are conspiring whether we realize it or not. And the more aware and mindful we are of our connections, the better for us all.

And second, the image of breathing together conjures an orchestra of musicians with their wind instruments and brass. French horns, oboes, saxophones, piccolos, trumpets...We may each try to blow our own horns, but think of how much more powerfully we can play if we sound them in concert.

Teamwork, joint venture, collaboration, strategic alliance, community

organizing, cooperation, association, coalition, tribe, partnership. There are many ways we speak of it. The important thing is to do it. For that we need one another.

Ladies and gentlemen, friends, conspirators, let us join forces so that we may achieve real things that transform our world for the better. Thank you.