NARAYANA MURTHY

President and Founder of Infosys Technologies Limited

Bruno, Thierry, President Mary Robinson and friends, thank you for this opportunity. In these days of globalisation, corporations will have to learn to transcend national boundaries and satisfy the aspirations of people from different cultures, different nationalities, difference races, different religious beliefs and, in some ways, different identities.

Given that there are many corporations, including Lafarge of which my friend Bruno is the CEO, which have existed much longer than many, many nations, I believe that there is some value in today's theme of how corporations participate in global governance. What is the role of corporate social responsibility in adding value to global governance?

First of all, my definition of good governance is maximising shareholder value while ensuring that there is fairness, transparency and accountability to every one of the stakeholders - customers, employees, investors, vendor partners, government of the land and society. How does one go about doing this? Let me tell you a story about my own company and that perhaps will tell us a simple way of doing this.

In 1981, I sat down with six younger colleagues of mine to design the vision for Infosys. One of my colleagues said, 'We must be the software company with the highest revenue in India.' Somebody else said, 'We must be the most profitable software company.' After listening to all of them, when my turn came, I said, 'We will be the most respected company in India.' They said, 'How does that translate to revenues and profits?'

I said, 'It is very simple. If you want to be most respected with customers, then you have to exceed their expectations. You cannot short-change them. If you expect to be most respected with employees, then you must treat them with fairness and dignity and be honest and open in all transactions. If you want to be most respected with investors, then you have to follow the finest principles of corporate governance and transparency in dealing with them. If you want to be most respected with the government, then you cannot violate any law of the land. If you want to be most respected in society, then you have to live in harmony with society.'

If you do all of this, revenues will come and profits will come. In fact, that has been the case for Infosys. Therefore, I would say that as long as corporations seek respect from every stakeholder, I believe corporations will automatically use the power of corporate social responsibility to add value to society. It is very, very important to add value to society simply because society contributes customers, employees, vendor partners, politicians, bureaucrats and government officials. Therefore, if a corporation wants to exhibit longevity, if a corporation wants to be in business for a long time, if a corporation wants to add value to its stakeholders, then it is extremely important that the corporation lives in harmony with society, and that is where I believe corporate social responsibility becomes extremely important.

By default, today's corporations are global. My company operates in 90 countries. There is absolutely an imperative to follow the finest principles of global governance and use the leverage of corporate social responsibility to add value to society. Thank you.