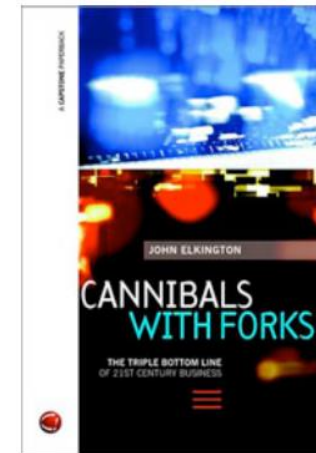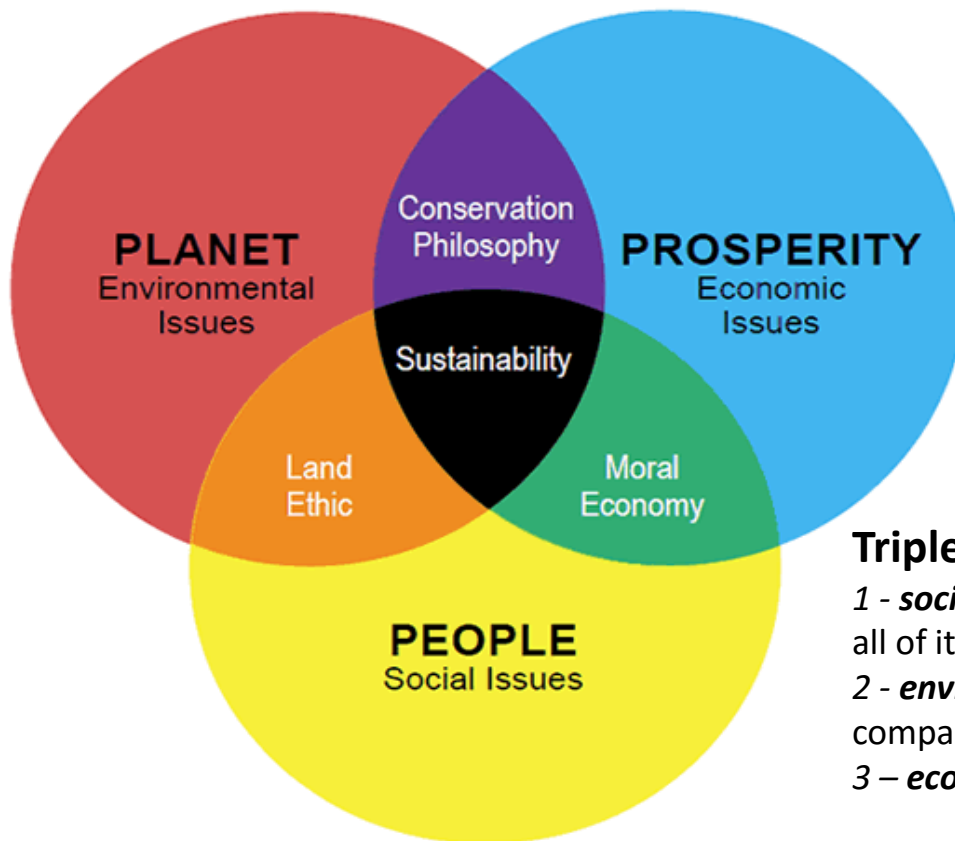# SOCIAL RESPONSIBILITY

TWO SUSTAINABLE DEVELOPMENT MODELS

1. **Sustainability : Anglo-Saxon model**
   **Trois mainstays : environment, social issues, economic issues**

Triple Bottom Line (J. Elkington 1997)
*1 - **social** : social consequences of the company's business for all of its stakeholders ;
*2 - **environmental** : compatibility between the activity of the company and the maintenance of ecosystems (Planet) ;
*3 – **economic** (*Prosperity or Profit*).

TWO SUSTAINABLE DEVELOPMENT MODELS

- The Anglo-Saxon approach is primarily a measure of the overall performance of the company based on its triple contribution to economic prosperity, environmental quality and social capital.

- This involves taking a voluntary basis the needs of all stakeholders of the company (shareholders, customers, employees, business partners, public ...).

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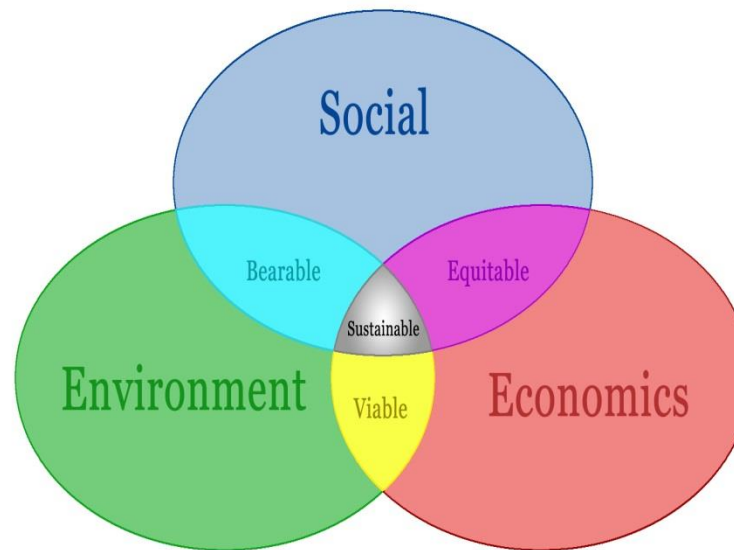
2. The Latin model :
four mainstays :
governance**, environmental, social, economic**

Latin approach is more **holistic** or systemic: it considers that the company is in a world which it should contribute actively:

- by reducing inequality,
- by social progress,
- for social justice,
- by the environmental protection;

hence the importance of the concept somewhat ambiguous of governance.

This approach is also reflected in the establishment of rules.

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HOLISM & HOLISTIC

- **Holism** (holistic): Greek **ὅλος** (all, all over the) concept (appeared in the 20s), the basic idea is: "*The whole is more than the sum of its parts*" (Christian von Ehrenfels - first applied to the Gestalt psychologists and holism and systemic)

- Holism is a neologism coined by Jan Christiaan Smuts in 1927 in his book *Holism and Evolution*, where it was defined as "the tendency in nature to form sets that are greater than the sum of their parts, through evolution creative "- prepares concepts of emergence, self-organisation, complex thinking, but also tend to holysm (holistic system management).

  - **Holistic**: approach opposite to that of reductionism (explanation of a whole made from reducing its constituents and analysis), which also opposes the idea of the complexity.

SOCIAL RESPONSIBILITY OF ORGANISATIONS

- Corporate social responsibility (CSR) is a voluntary business contribution to sustainable development issues.

- The objective is to take into account long-term environmental and social impacts of their activities to adopt the best practices and contribute to the improvement of society and the protection of the environment.

- Definition of the EU (18th of July 2001) :

    "a concept whereby companies integrate social and environment concerns in their business operations and in their interaction with stakeholders on a voluntary basis.

    Being socially responsible means not only fulfilling legal expectations but also going beyond compliance and investing "more" into human capital, the environment and the relations with stakeholders"

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THE SEVEN CORE SUBJECTS (ISO 26000)

ISO 26000

THE SEVEN PRINCIPLES OF CSR

- responsibility or accountability reporting,

- transparency,

- ethical behaviour,

- recognizing the interests of stakeholders,

- the principle of respect for the law,

- taking into account international norms of behaviour,

- respect for human rights.

    [Source: ISO 26000]

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THE STAKEHOLDERS

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IDENTIFYING STAKEHOLDERS

- **WHAT IS A STAKEHOLDER (INTERESTED PARTY)?**

  - A stakeholder is a person or entity liable to impact or be affected by the policies and activities of the public organisation, or considers to be concerned by the activity of the organisation and the public service expected.

- **IDENTIFY STAKEHOLDERS:**

  - Knowing all stakeholders is a necessity for the organisation. These can play an important role in terms of benefits / opportunities and risks (image, social, environmental, ...);

  - Stakeholders have different expectations vis-à-vis the organisation (information, knowledge, involvement ...) that it will necessary to identify.

- **SORT STAKEHOLDERS:**

  - stakeholders first level involving all groups essential to the survival of the organisation: suppliers, customers and employees;

  - stakeholders second level that are not necessary to the survival of the organisation: unions, associations, local or regional authorities, NGOs ...

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STAKEHOLDERS

SUPPLIERS
Commercial partners
Large scale Suppliers
Small Suppliers

CUSTOMERS
Families
Small and Medium Enterprises
Corporate
Consumer associations
Public Authorities
and Public
Administration

EMPLOYEES
Apprentices
Professionals
Middle and Junior
Managers
Senior Managers
Trade Unions

COMMUNITIES
Associations representing
our Stakeholders
Non-profit bodies
National and international
public institutions
Communities at large
Territory
Media

**ENVIRONMENT
AND CLIMATE CHANGE**
Environmental Associations
Future Generations

SHAREHOLDERS
Institutional Investors
Small investors
Foundations
Market

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- **SOCIAL SPHERE**
  - employees,
  - representative bodies (IRP)
  - union organisations,
  - medical prevention,
  - social welfare agencies,
  - training organisations,
  - internal decision-making structures in the organisation (Board of Directors ...)
  - future generations ;
- **PUBLIC SPHERE**
  - Guardianship
  - authorities,
  - European institutions,
  - media,
  - general advice,
  - local, regional authorities,
  - European networks;

> **The future generations**
> A paradox !
> Logically future generations are key stakeholders but they have no representatives.

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- **ECONOMIC SPHERE**
  - customers / consumers
  - suppliers,
  - cooperation partners
  - distribution networks,
  - competition,
  - offices,
  - distributors;
- **INDUSTRIAL AND SCIENTIFIC SPHERE**
  - researchers, academics,
  - nongovernmental organisations (NGOs) and associations,
  - professional organisations.

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MAPPING STAKEHOLDERS

- **TO IDENTIFY ISSUES AND ASSESS RISK:**
  - identify those that are likely to undermine the organisation ;
  - identify the needs and expectations of each ;
 - identify the needs and expectations of the organisation vis-a-vis them -> potential partnerships.
- **TO INFORM:**
  - provide on a regular basis, information ;
  - be prepared to receive requests for additional information and to respond.
- **TO COMMUNICATE :**
  - implementation of diverse communication devices tailored to different types of stakeholders (public, associations, elected representatives, young people, ...) ;
  - take into account the returns on information from stakeholders. (This return can establish trust relationships).

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MAPPING STAKEHOLDERS

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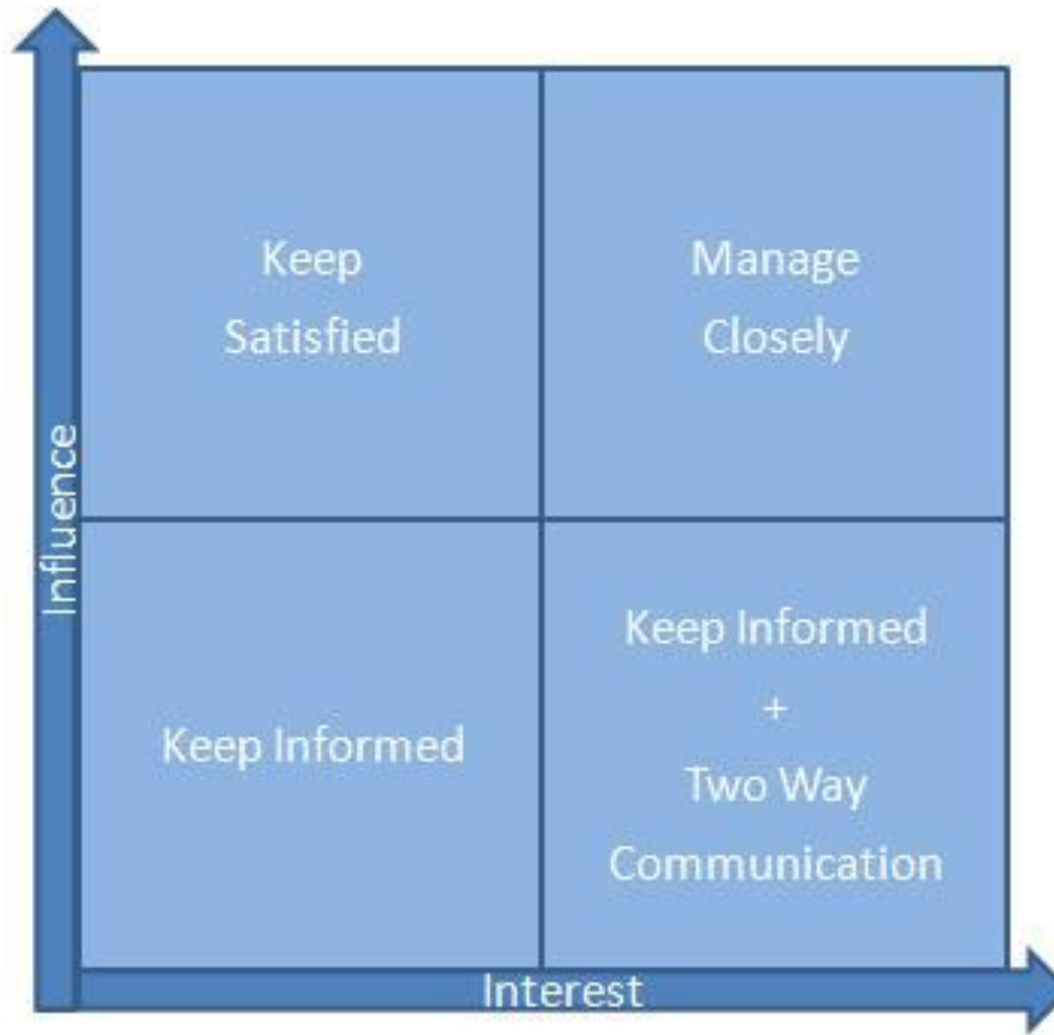
INTERACTION WITH STAKEHOLDERS

- **DIALOGUING WITH STAKEHOLDERS**
  - clarify the meaning of words and prioritize modes of dialogue and communication.

- **CHOOSING THE RIGHT MODE OF INTERACTION WITH STAKEHOLDERS**
  - share and communicate with stakeholders depends on the expectations of the public and organisational objectives.

Whether inform, consult, partners or consult the decision and final responsibility always comes back to the public organisation.

PLAN AND DO !

- Check and change if necessary the strategic options ;

- Write an action plan to stakeholders of the highest level ;

- Establish indicators for these actions and follow.

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THE COMMITMENT REPOSITORIES

- **THE UNITED NATIONS (UN) AND THE ORGANISATION FOR ECONOMIC COOPERATION AND DEVELOPMENT (OECD), AS OTHER ACTORS HAVE DEVELOPED STANDARDS THAT EXPRESS FUNDAMENTAL RIGHTS.**
- **THE GLOBAL COMPACT:**
  - one of the international public voluntary programs the best known. It offers membership to 10 principles in the areas of human rights, labour, environment and corruption.
- **THE OECD GUIDELINES:**
  - these are government recommendations to companies to encourage them to promote a responsible attitude.
- **THE INTERNATIONAL LABOUR ORGANISATION (ILO)**
  - tripartite UN agency, since 1919 brings together governments, employers and workers of its 178 member states in common action to promote decent work throughout the world.
- **SA8000® (1990)**
  - Standard that provides a basis for certification based on respect for fundamental rights of workers (trademark of Social Accountability International). Based on the Universal Declaration of Human Rights of the United Nations, the Convention on the Rights of the Child, the Convention on the Elimination of Discrimination against Women, the conventions of the International Labour organisation (ILO).
- **MILLENNIUM DEVELOPMENT GOALS - 2000 (MDGS)**
  - These are eight goals that UN member states have agreed to achieve by 2015.

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CSR REPORTING REPOSITORIES

- **GLOBAL REPORTING INITIATIVE (GRI)**

Initiated in 1997 by CERES under the auspices

and control of the UN.

The main guidelines :

- Present a clear picture of human and economic impacts of the activity,

- Give reliable information to stakeholders and encourage dialogue,

- Provide to the company a management and evaluation tool to improve its performance,

- Promote transparency and credibility,

- Enable comparison between companies in the same sector,

- Complement other reports, including the financial report.

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THE MANAGEMENT REPOSITORIES

- **AA 1000 (CONSIDERATION OF STAKEHOLDERS)**
  - systematic stakeholder engagement in everyday business activities -> Indicators, targets and reporting systems
- **OHSAS 18001 <-> DIRECTIVE MSST**
  - certification standard management systems of health and safety at work -> ISO 45001 (ISO = International Organization for Standardization)
- **ISO 14001**
  - international environmental certification standard defines the rules of integration of environmental concerns into the activities of the organization to control the impact on the environment.
- **SD 21000**
  - the SD 21000 standard is a standard French business management and sustainable development. It is addressed to all companies regardless of industry or size. It is not certifying.
- **EMAS (EMAS ECO MANAGEMENT AND AUDIT SCHEME)**
  - certification based on ISO 14001
- **EFQM (EUROPEAN FOUNDATION FOR QUALITY MANAGEMENT) 1988**
  - model that allows to understand the causal and effect relationships between what an organization and the results it achieves.

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