

Sustainable strategy in a multi polar world

Sustainable development & CSR a **philosophical** perspective

HEC Liège

12/01/12

Laurent Ledoux

ledoux.laurent@gmail.com

Thank you !

What is your

N°1 question

for this seminar ?

Sustainable strategy in a multi polar world

1

Reflecting on ethics in business today

2

Reflecting on Sustainable development and CSR today

3

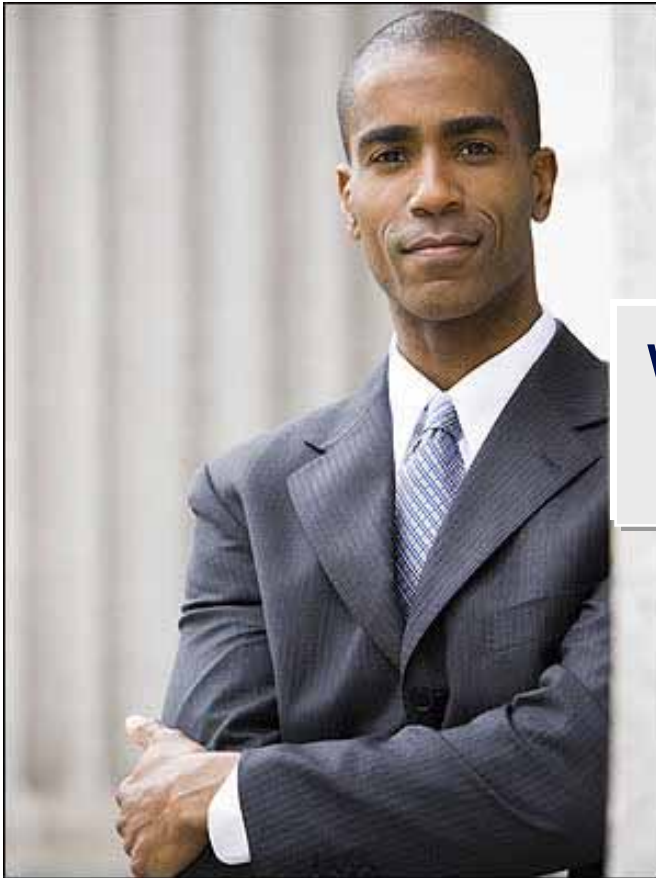
Reflecting on the type of leadership we need today

What would you do if you were the CEO of the Car Company ?



Would you retrieve the car from the markets or not ?

What would you do if you were Kasongo Mwamba ?




Would you go to the meeting or not ?



Kasongo's possible questions



« Ethos » in Greek: custom, habit, way of behaving in an environment




The primary meaning of «Ethos» or «Ethics» has therefore to do with: making your way, positioning yourself in an environment



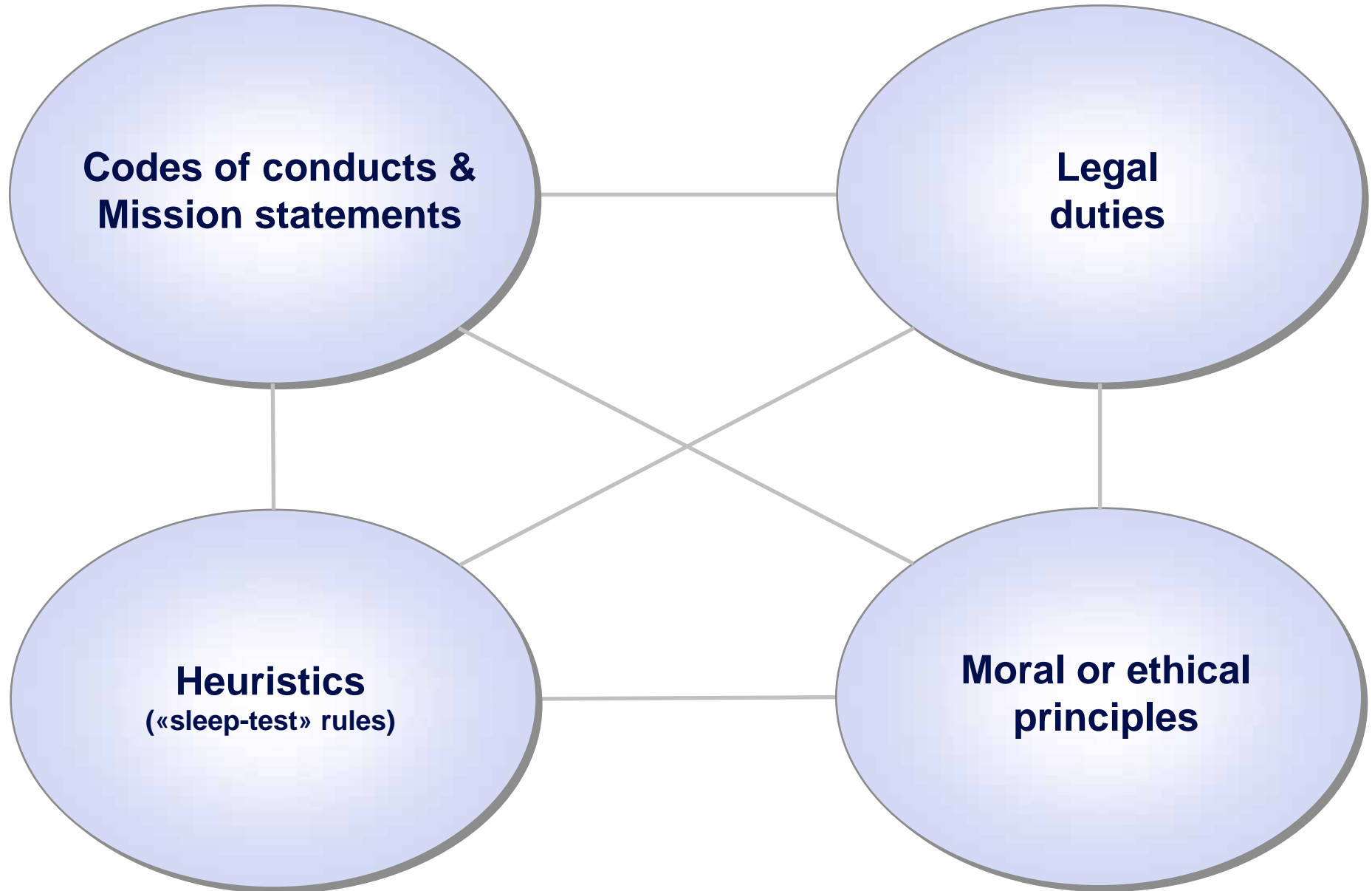
Ethics is a human activity.
The purpose of ethics is not to make people ethical; it is to help people make better decisions
(Marvin Brown, author & ethics consultant)

An ethos is the doctrine of a particular art of living the best possible life and the means to pursue this aim
(i.e. to live happily or to search for truth)
(Marcel Conche, philosopher)

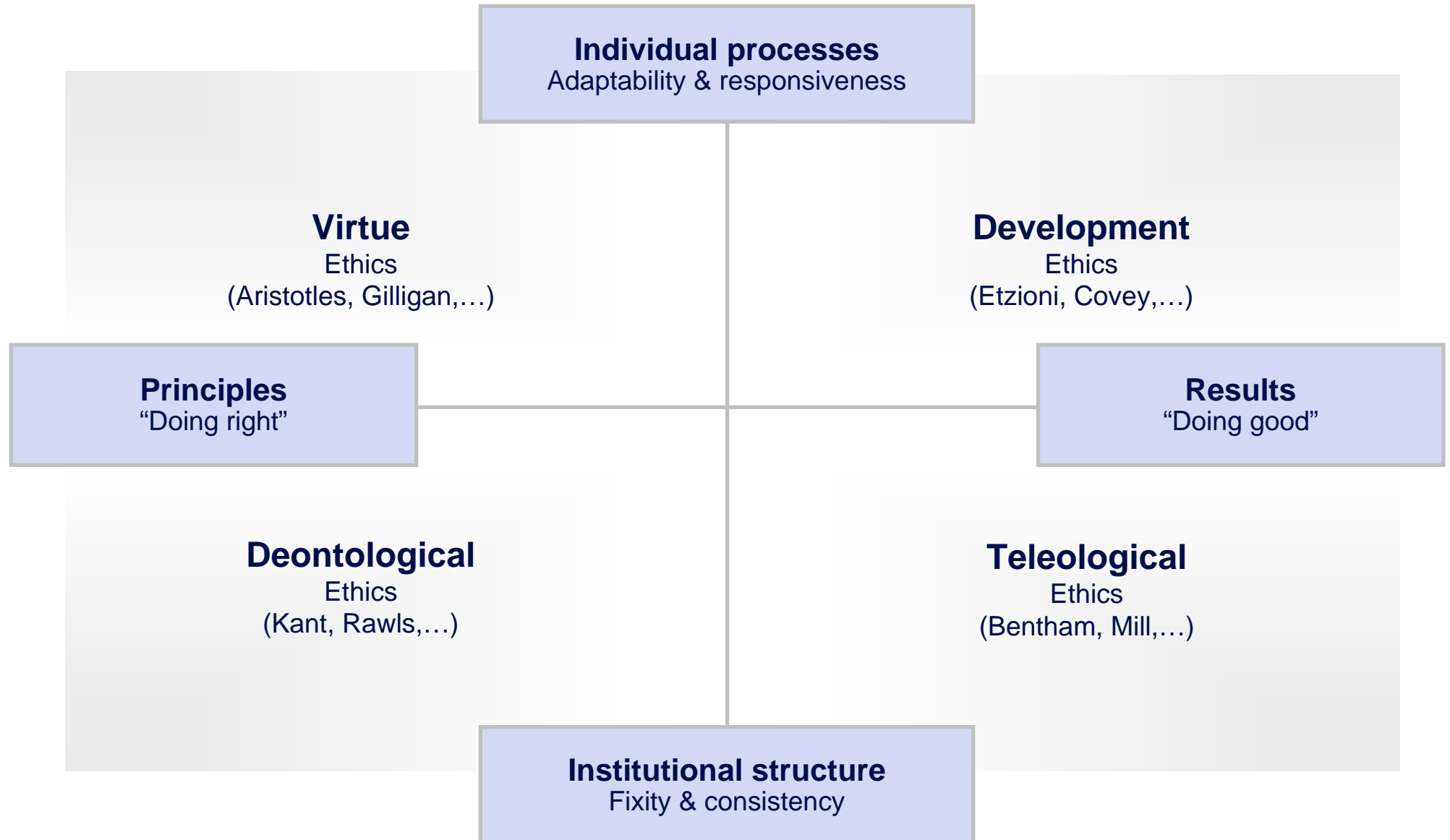


*A morality is a set of **duties and imperatives** (positive or negatives) that a society or a community gives to itself and which enjoins its members to conform their behaviour, «**freely**» & in an «**unselfish**» way, to **certain values** enabling to **distinguish right & wrong**.*

Possible sources when facing an ethical dilemma



4 main categories of ethics



The Texas Instrument Ethics Quick Test (2001)

- Is the action legal?
 - Does it comply with TI values?
 - If you do it, will you feel bad?
 - How will it look in the newspaper?
-
- ➡ If you know it's wrong, don't do it!
 - ➡ If you're not sure, ask.
 - ➡ Keep asking until you get an answer.

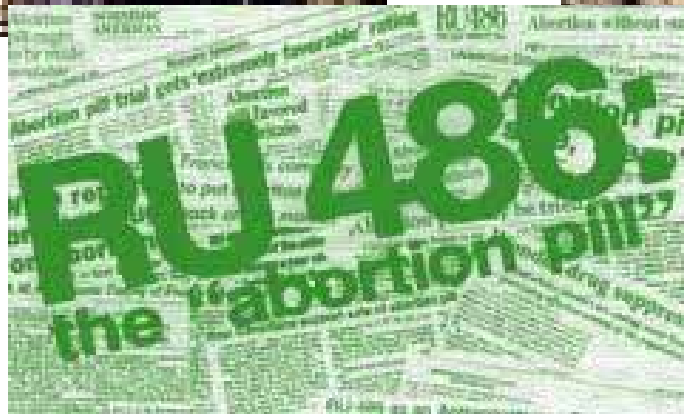
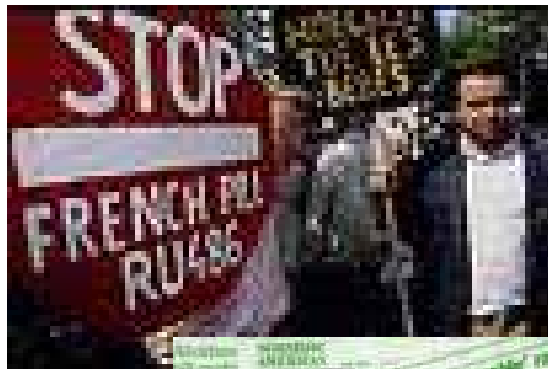
Questions to ask yourself in front of an ethical dilemma

- Is it conform to the law ?
- Is it conform to the ethical code and values of my company ?
- Am I conscious that my decision can engage other people in the company ?
- Do I feel alright with my decision ?
- What would the colleagues think about my decision ?
- What if it would be published in a newspaper ?
- What would my family think about it ?
- What if everybody would do the same ?
- Should I question the person in charge of deontology ?

12 tests filter to validate or reject a decision

Ask yourself these questions concerning the decision you wish to take	+/-	Veto	Trigger
Legal duties			
1. Legalist test. Is my decision in accordance with the law?			
Corporate credos & mission statements			
2. Organisational test. Is my decision in accordance with my organisation's rules of conduct or ethics			
Heuristics			
3. Hedonistic or intuitive test. Does my decision correspond with my gut feeling and my values? Does it make me feel good?			
Respect of ethical principles			
Virtue ethics			
4. Light-of-day test. Would I feel good or bad if others (friends, family, colleagues) were to know of my decision and action?			
5. Virtuous mean test. Does my decision add to, or detract from, the creation of a good life by finding a balance between justice, care and other virtues?			
Deontological ethics			
6. Veil of ignorance/Golden Rule. If I were to take the place of one of those affected by my decision and plan would I regard the act positively or negatively?			
7. Universality test. Would it be a good thing or a bad thing if my decision and plan were to become a universal principle applicable to all in similar situations, even to myself?			
Development ethics			
8. The communitarian test. Would my action and plan help or hinder individuals and communities to develop ethically?			
9. Self-interest test. Do the decision and plan meet or defeat my own best interests and values?			
Teleological ethics			
10. Consequential test. Are the anticipated consequences of my decision and plan positive or negative?			
11. Utilitarian test. Are the anticipated consequences of my decision and plan positive or negative for the greatest number?			
12. The discourse test. Have the debates about my decision and plan been well or badly conducted? Have the appropriate people been involved?			

What would you do if you were Edouard Sakiz, the CEO of Roussel-Uclaf ?



Edward Sakiz's possible questions







Moral imagination
is the condition of
free deeds

Steiner

1

Reflecting on ethics in business today

2

Reflecting on Sustainable development and CSR today

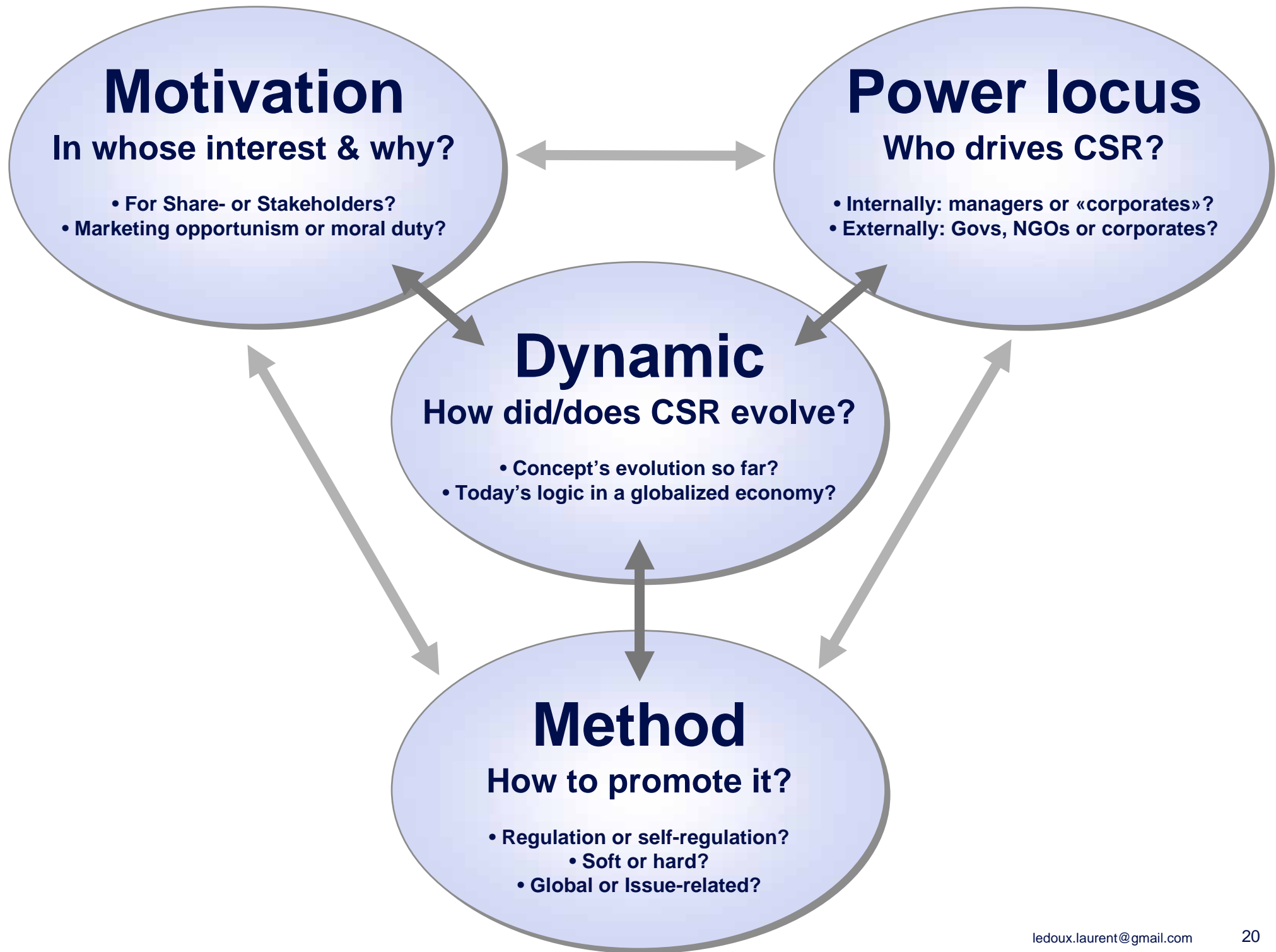
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Reflecting on the type of leadership we need today

What are your

questions

about sustainable development & CSR



Economic ethics

“Part of ethics which deals with behaviours and institutions of this sphere, i. e., of the entirety of exchange activities of goods and services and of production related to this exchange.”

(French Penal Code – 1994)

Business ethics

Corporate ethics

“Presents itself as responsibility ethics (not only of conviction), organised as a doctrine which guides activities and behaviour at work”

(Fabienne Cardot)

3 levels of commitment

1. Governance ethics

2. Deontological ethics

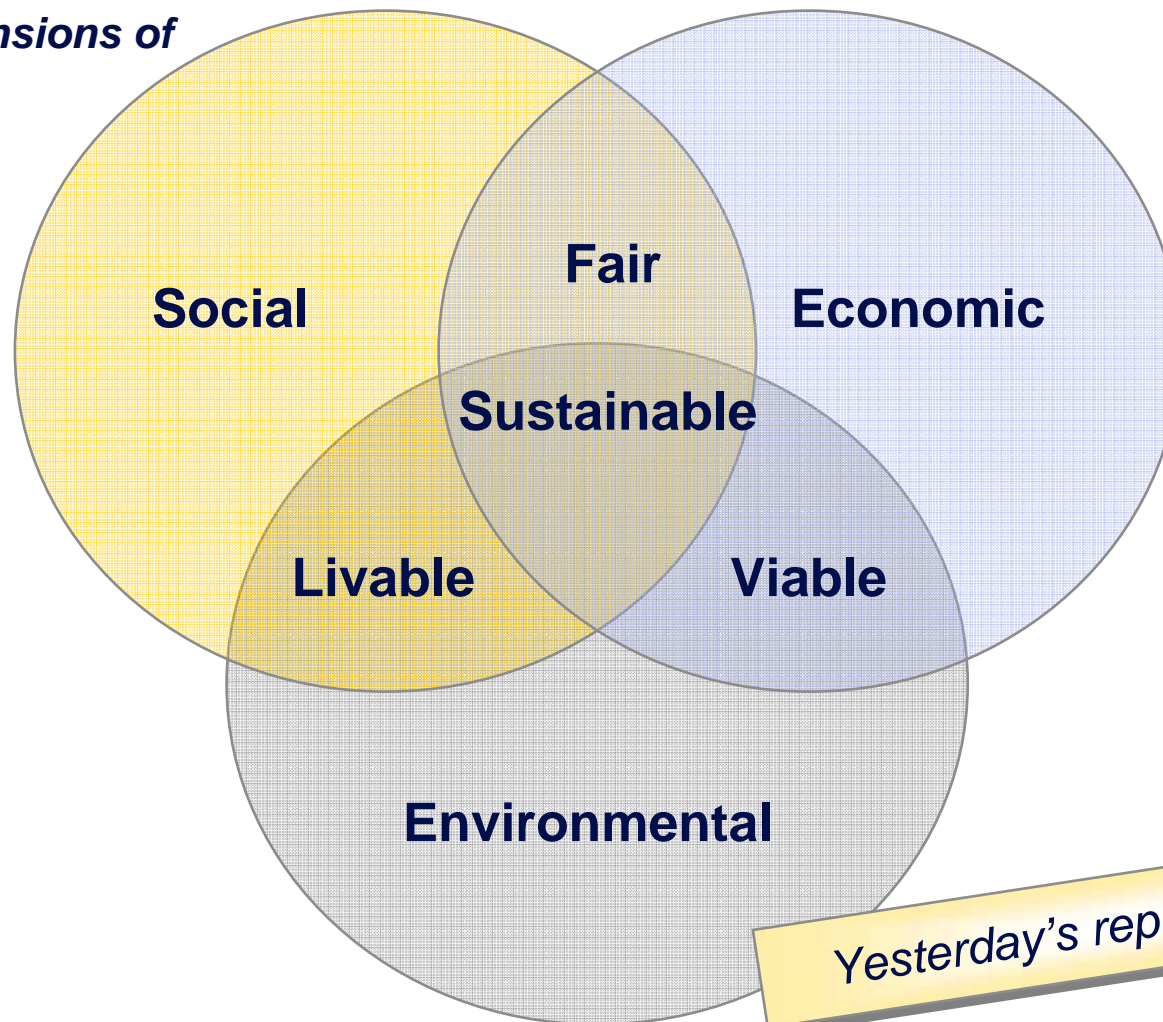
3. Values ethics

**Strategic
manifestation:
CSR**

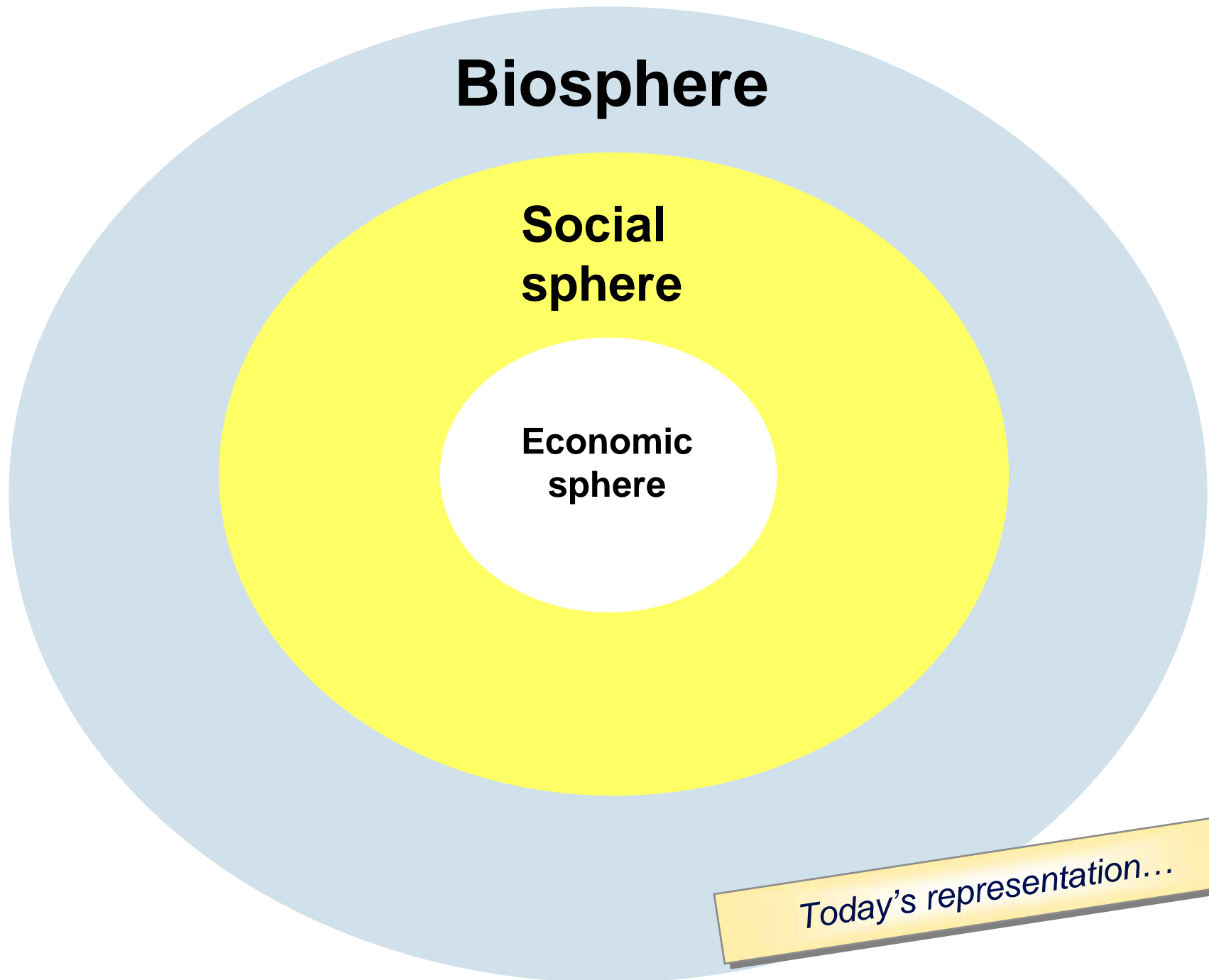
Corporate Social Responsibility

The entirety of obligations legally required or voluntarily assumed by an enterprise to pass as an imitable model of good citizenship within a given field (Jean Pasquero)

**The three
dimensions of
CSR**



Yesterday's representation...



Today's representation...

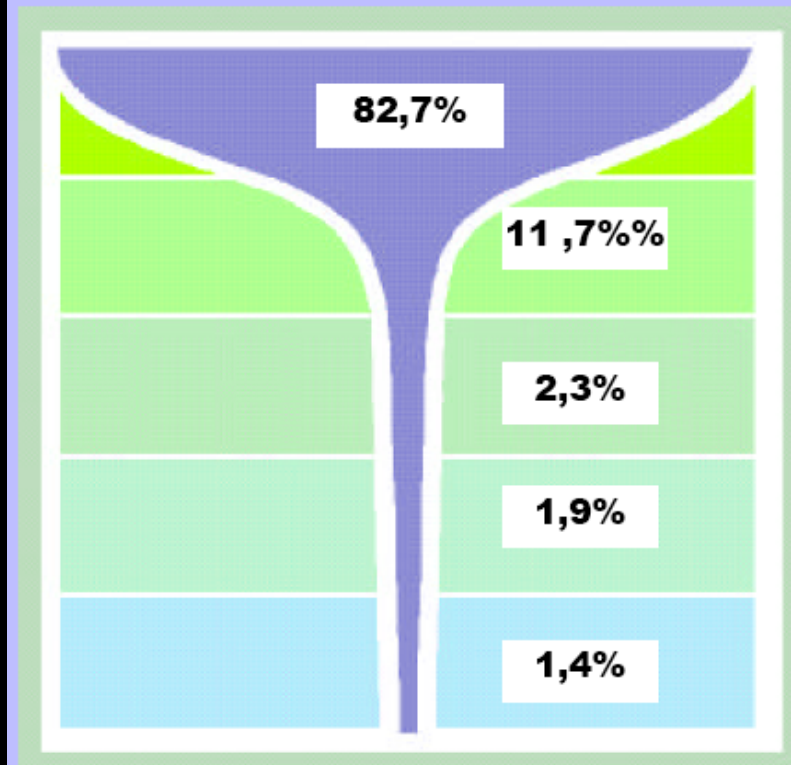


Meeting the needs of the present generation without compromising the ability of future generations to meet their needs

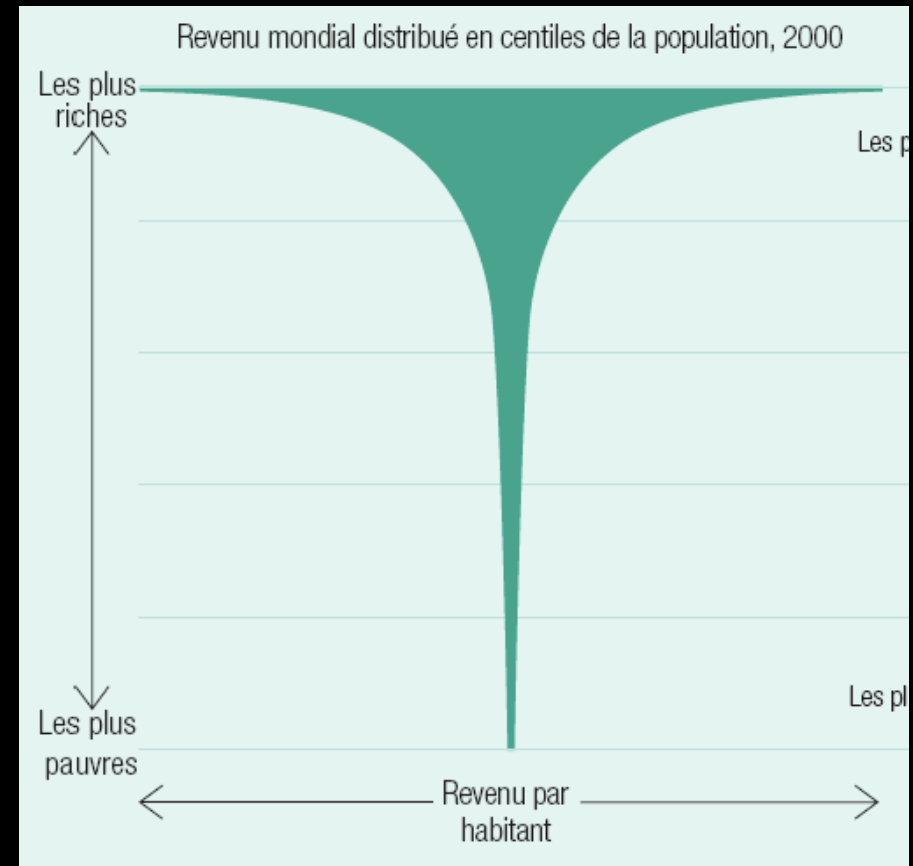
Brundtland Report for the UN - 1987

Not only environmental issues...

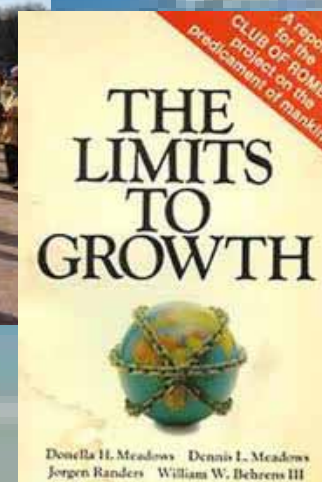
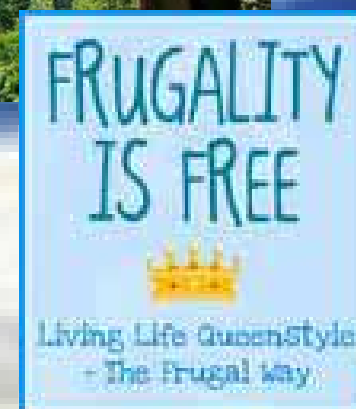
La répartition des revenus au niveau mondial - 1989



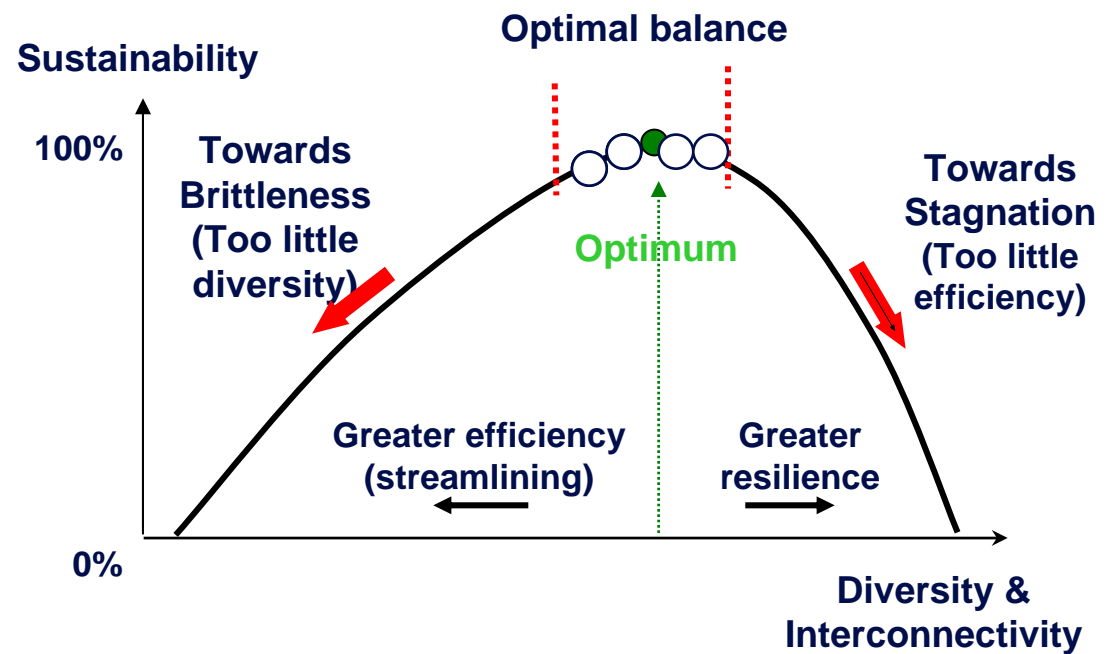
Source : Ph. Defeyt based on PNUD



Source : Isabelle Cassiers, Conférence au Collège Belgique, d'après le PNUD



Diversity & Interconnectivity



Ulanowicz

4 basic principles of The Natural Step Framework



In a sustainable society, nature is not subject to systematically increasing...



...concentrations of substances extracted from the Earth's crust,



...concentrations of substances produced by society,



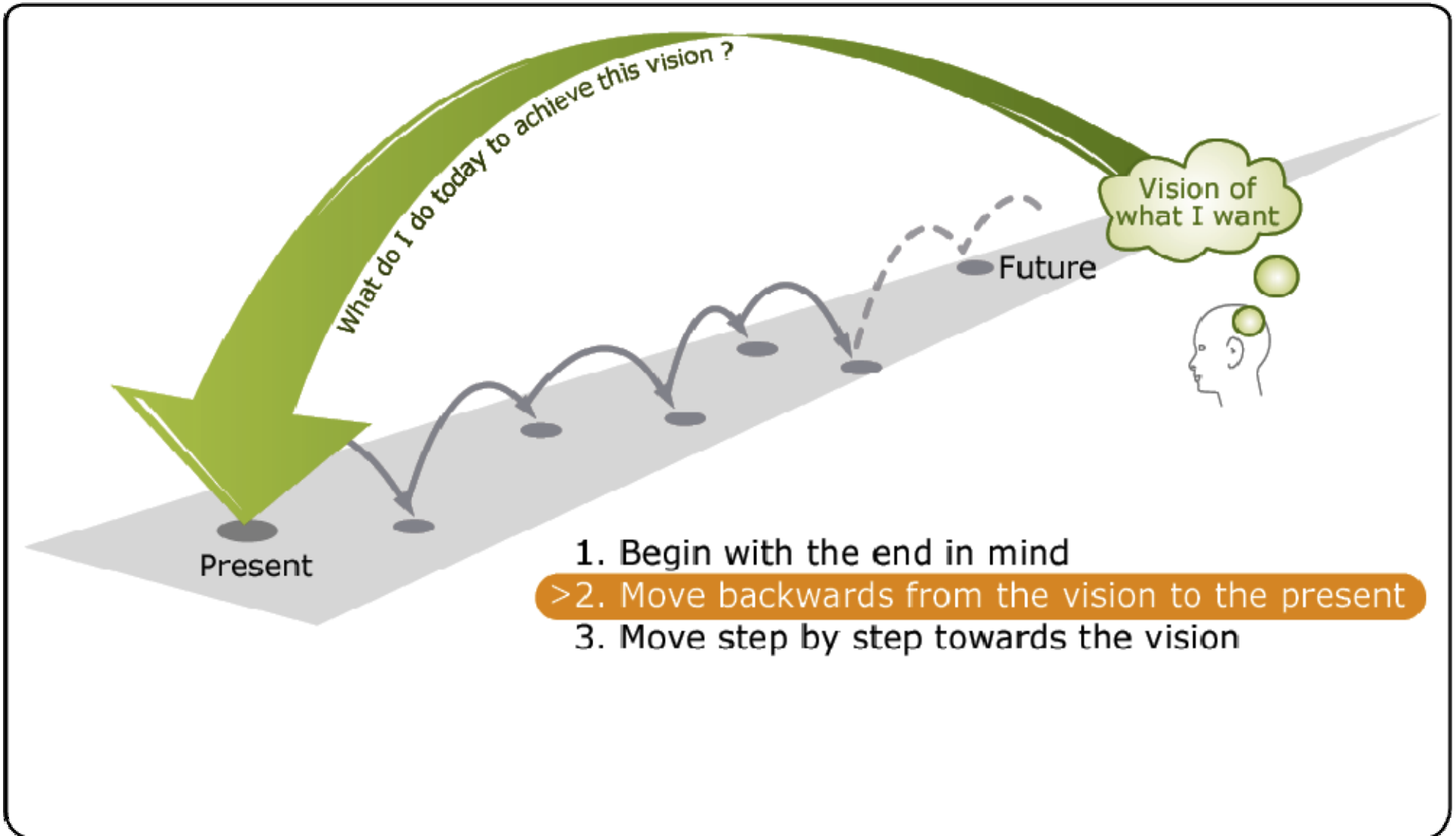
...degradation by physical means,

and, in that society...

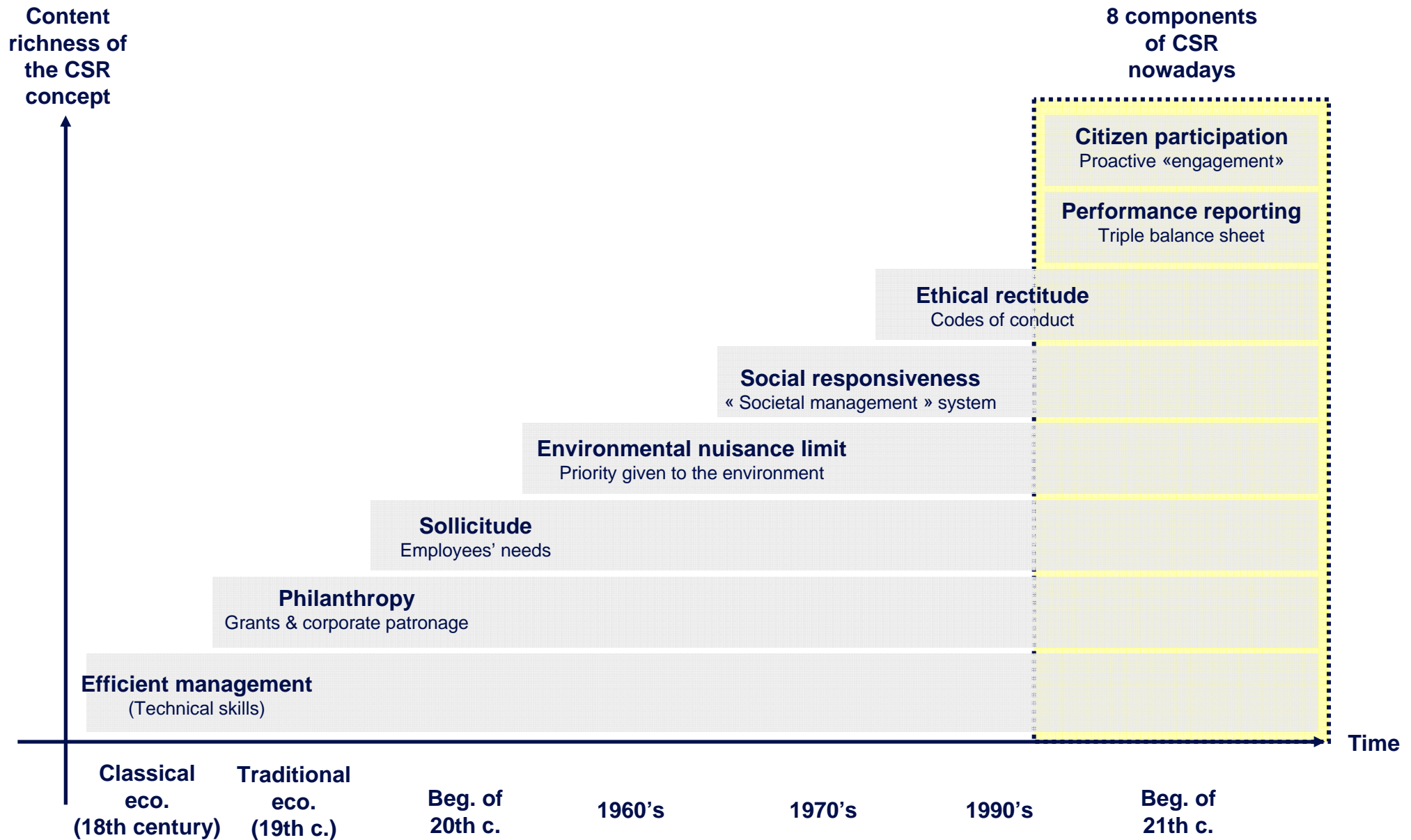


...people are not subject to conditions that systematically undermine their capacity to meet their needs.

Backcasting



Evolution of CSR so far?

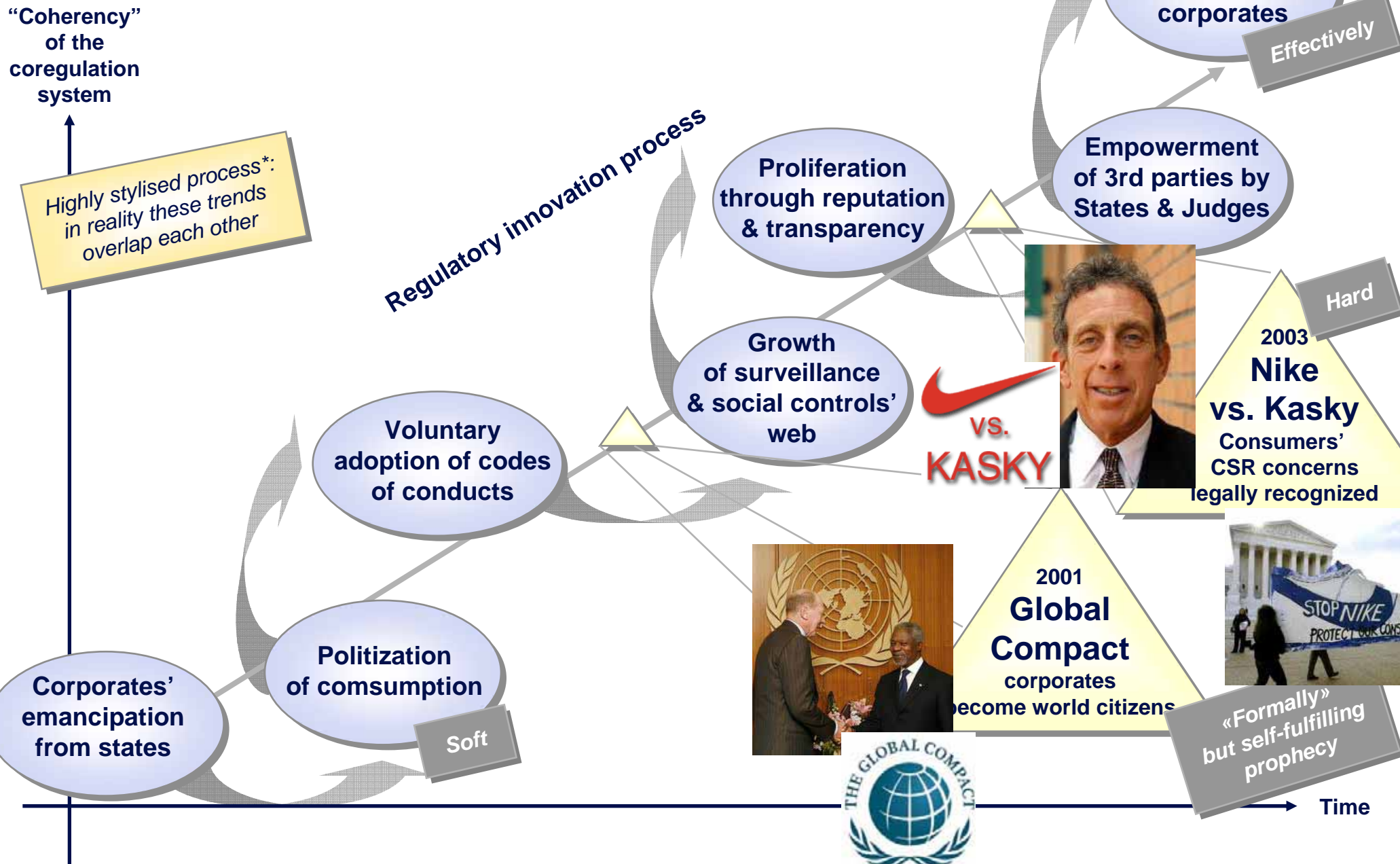


Co-regulation
based on
reputation
rather than
law

Frydman



Explaining the growing impact of “CSR” & co-regulation during the last 50 years ?

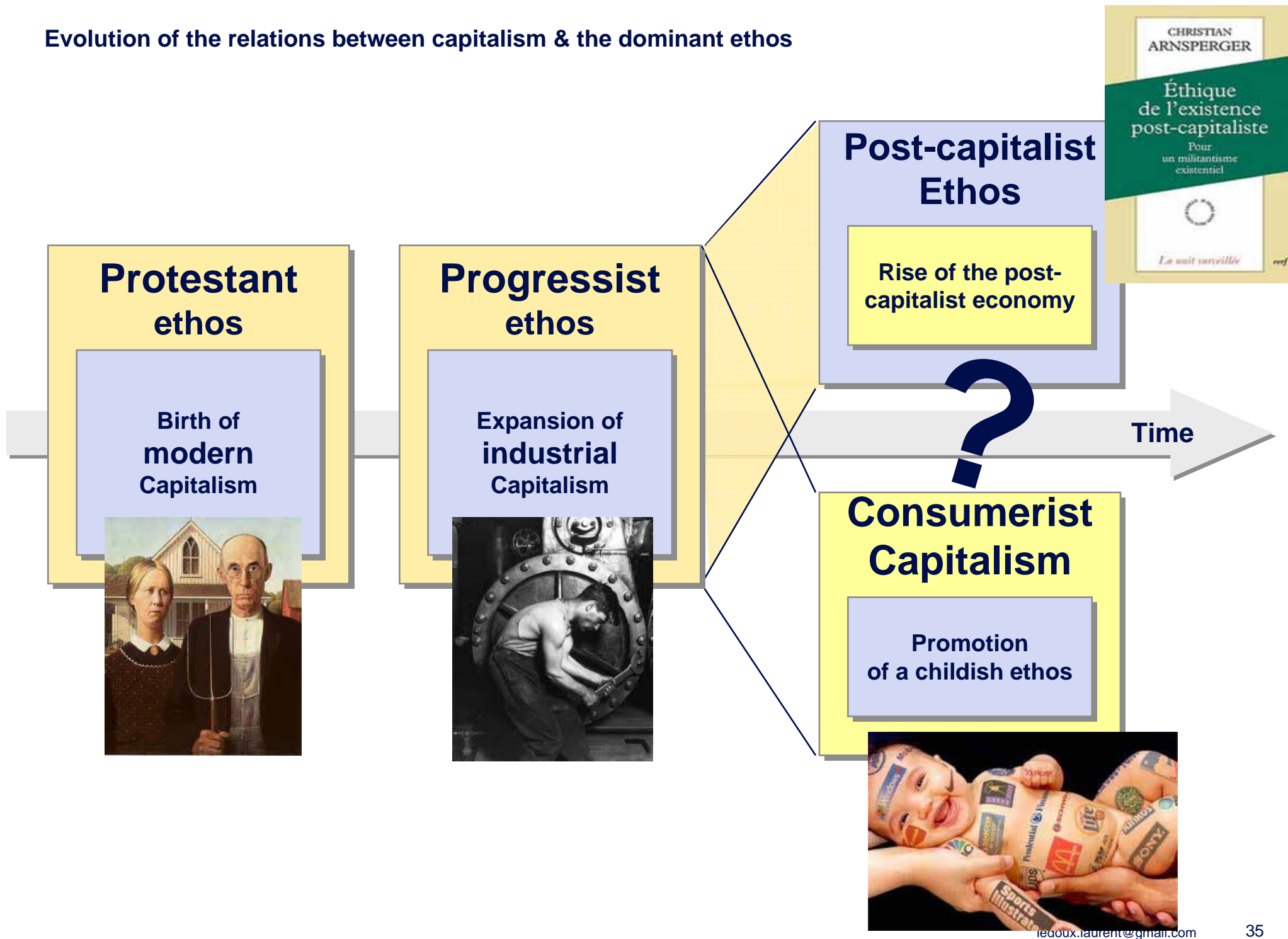


* Source: “Responsabilité sociale des entreprises et co-régulation”, by Berns & al, 2007

What does teach us the Toyota brake scandal ?



Evolution of the relations between capitalism & the dominant ethos





Optimize value for the
whole society
under the constraint of an
adequate return
for shareholders



Maximize (without limits)
shareholder's value
under the constraint of the
respect of the law

The infinite Nature, the universe ? Or...





... the 320,000 light bulbs, equal to the number of kilowatt hours of electricity wasted in the United States every minute from inefficient residential electricity usage (inefficient wiring, computers in sleep mode, etc.), that is 230 million per day.

**“Ce qu’une
génération
doit à l’autre,
c’est
la limite”**

Pierre Legendre

1

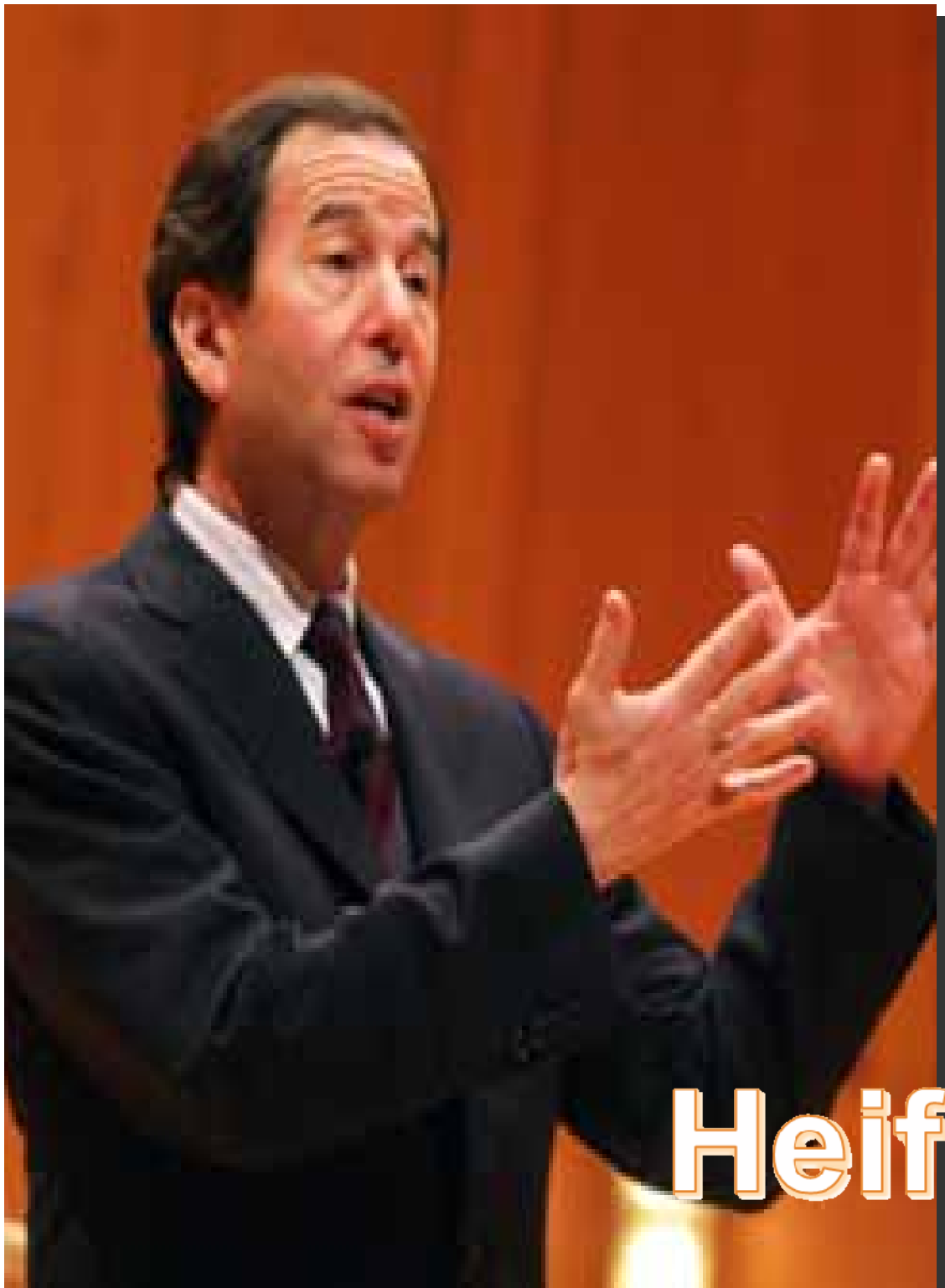
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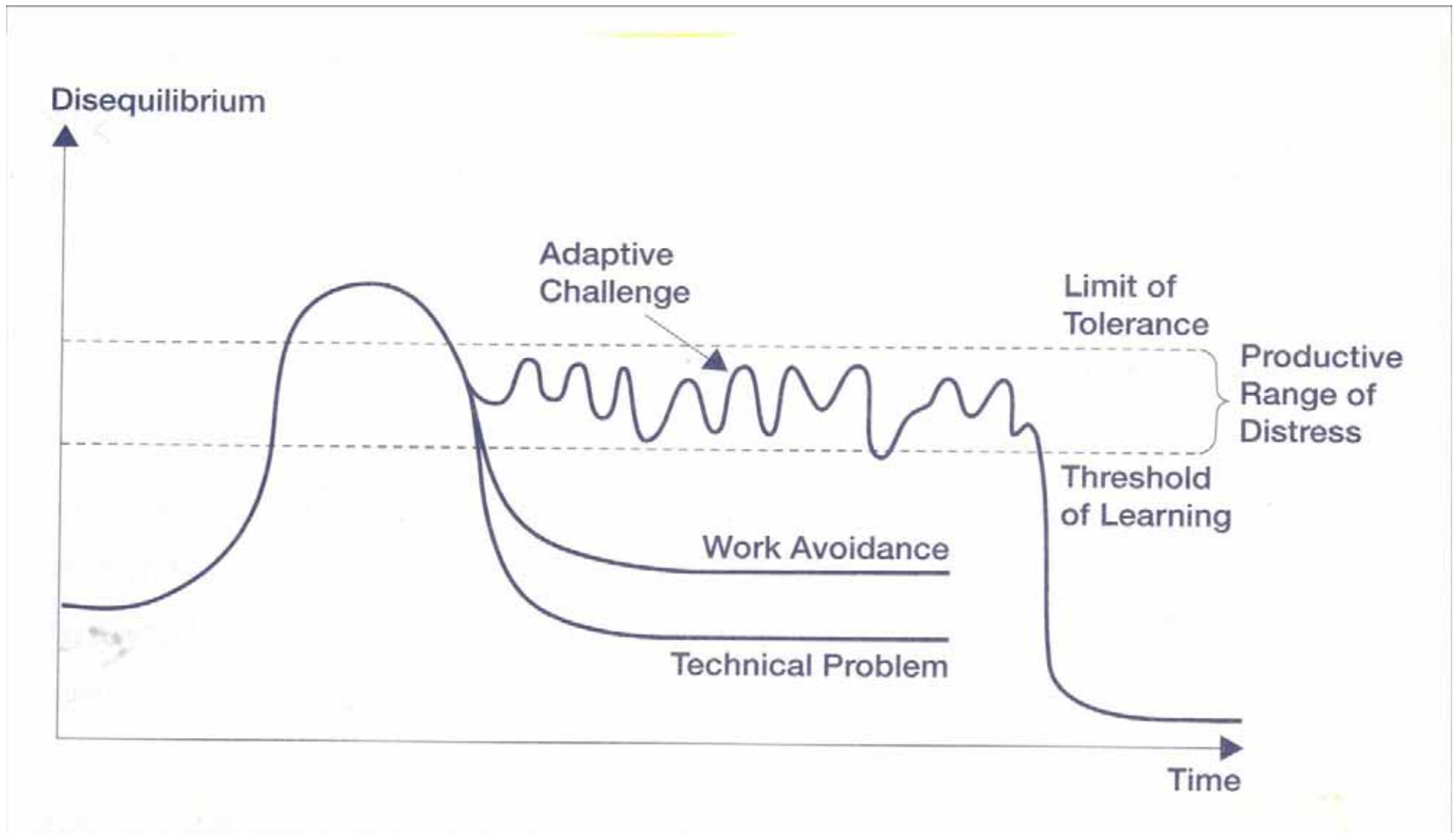


Leadership

**Mobilize
the group
for the
adaptative
work**

Heifetz

Modulating the stress





Freedom
Inc.

Getz



Treated as
intrinsically
equals



Priority to
personal
growth



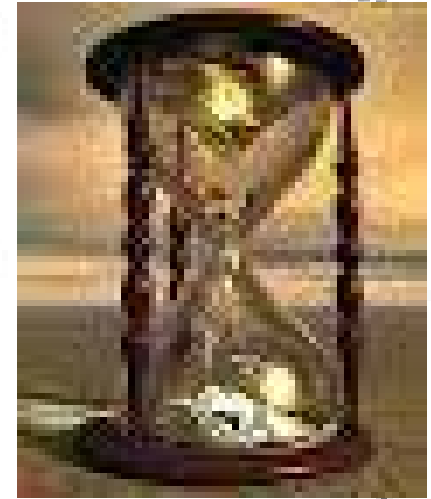
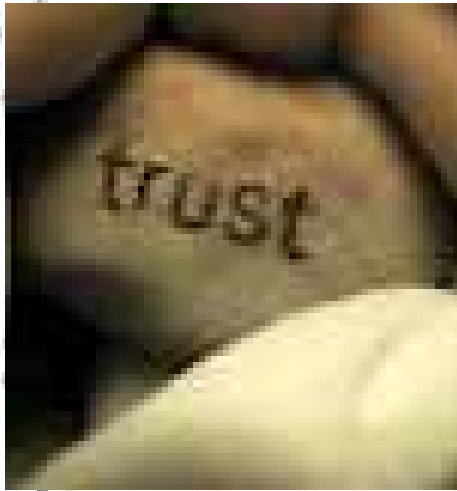
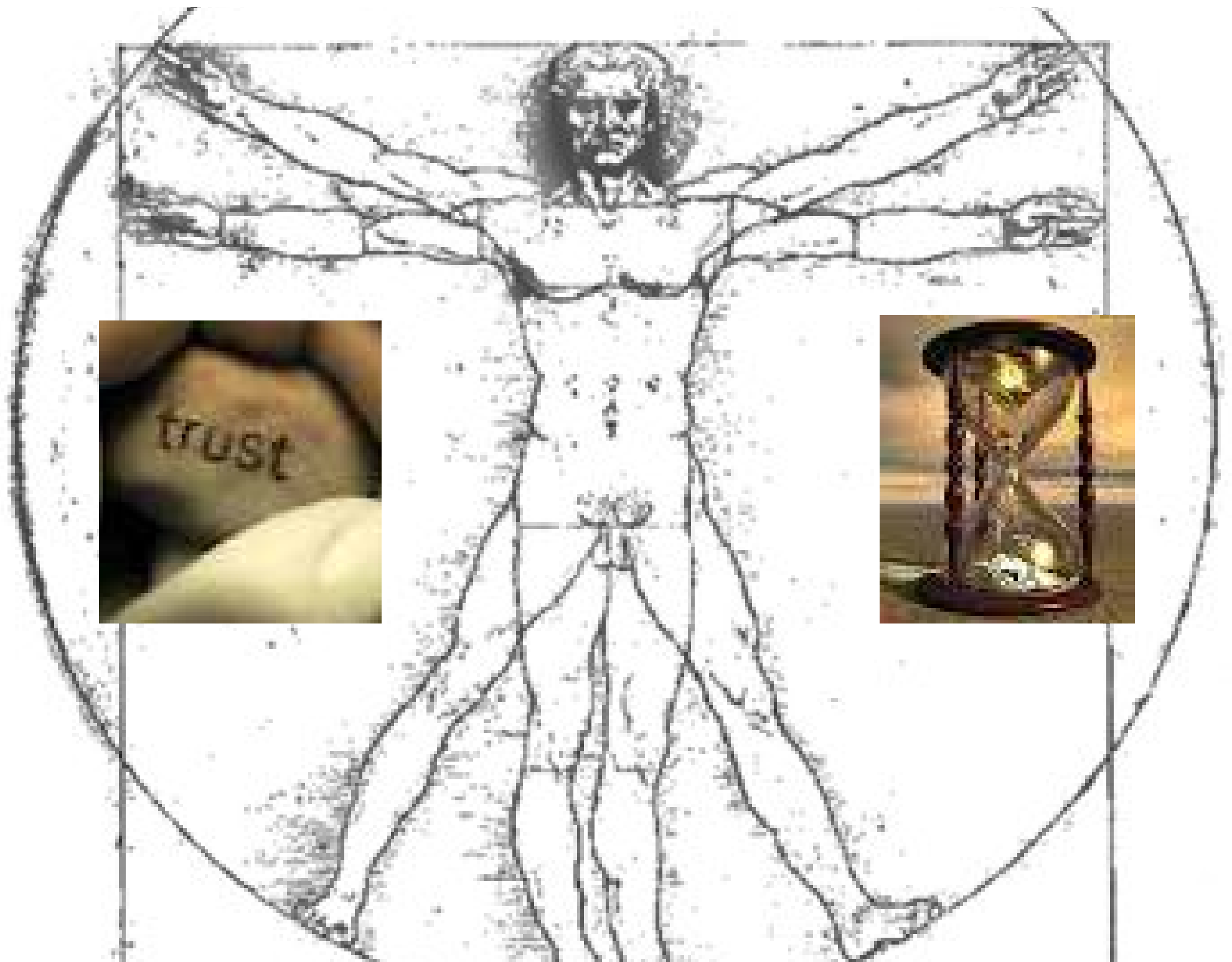
Capacity to
self
direct

On-the-job democracy & The Whyway

Breaking down
Knowledge boundaries

Semler

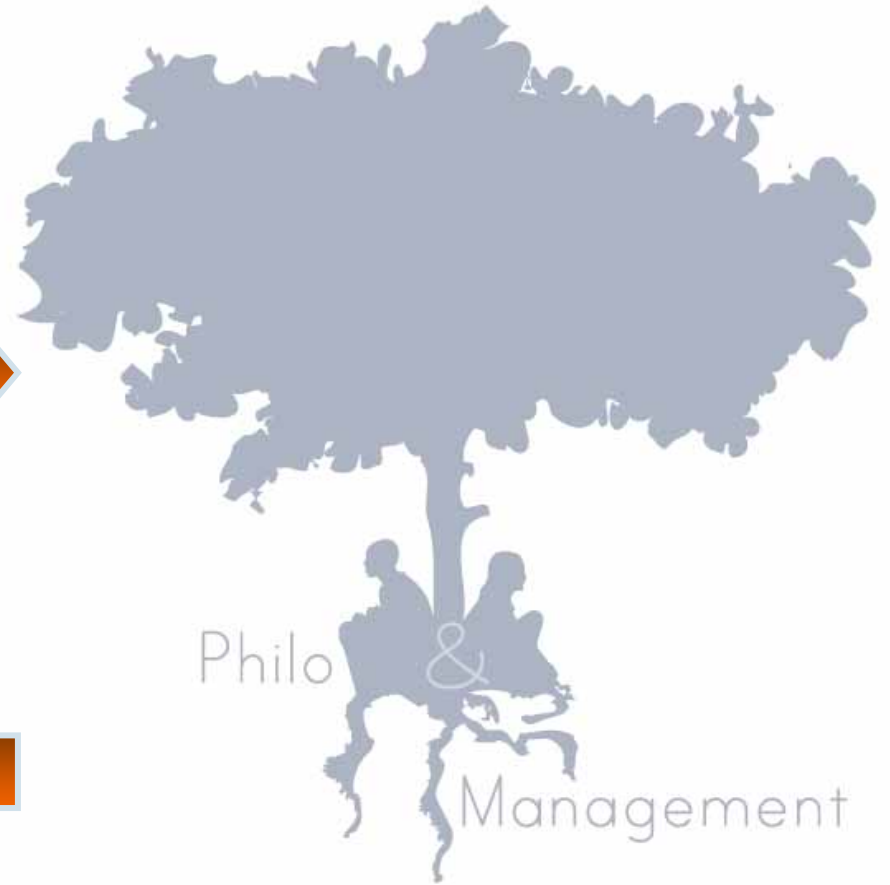




Private

Civil

Public



www.philoma.org



Lao-Tseu, 630 bc.

**The best leader
is the one
the group
barely knows
she exists**

Awa

www.philosophie-management.com



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