

# Corporate Social Responsibility

# ***Crystallization of ethical imagination & responsible leadership in corporates ? (MGEST2107)***



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# Thank you !

for answering our questions & preparing the cases

**What are your  
key questions  
for this course?**

What do you **expect** from this lecture? What would you like to learn from it?  
Are there specific issues you would like to discuss during this lecture?

- **FORME:** Discussions , débats ! / Etudes de cas réels + colloques, réunions, rencontres
- **NOTIONS:**
  - Signification, objectifs et enjeux CSR ?
  - Fondements philosophiques, historiques, juridiques et économiques
  - Clarté sur les notions DD, Déontologie, gouvernance, éthique, morale ,...
- **IMPACTS/RÔLES:**
  - Etude des 3 piliers du DD
  - Passer en revue différents impacts qu'une entreprise peut avoir sur la société, l'environnement et l'économie. (formations, de l'éducation, du programme social.)
  - Comment une entreprise peut gérer son business afin de générer un impact positif sur la société ? (+ exemples / contre-exemples)
  - I would like to learn how to deal with money/time/performance constraints and my values or the values of the firm
  - Who is responsible: CEO, employees, workers ...? Quels sont les acteurs en interne/externe ?
  - Liens entreprise et société civile et autres parties prenantes

What do you **expect** from this lecture? What would you like to learn from it?  
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- Aspects opérationnels:

- quelles étapes faut-il suivre pour prendre une décision éthique /responsable ?
- comment gérer plus équitablement des situations de conflit et pouvoir répondre au mieux aux dilemmes éthiques qui peuvent se poser dans la vie d'une entreprise.
- comment mieux placer la limite entre les intérêts que nous défendons et les valeurs que défendent d'autres parties prenantes et mieux pouvoir cerner nos « responsabilités ».
- Existe-t-il des différentes politiques RSE en fonction taille des entreprises ou autres critères ?
- Comment communiquer en interne/externe à propos de RSE , lien avec culture d'entreprise, impact en terme d'image ?
- Quel coût a la mise en place d'une politique de RSE ? Quel temps cela prend-t-il ?

- Quelles sont les normes internationales, les législations et codes en vigueur ?

What do you expect from this lecture? What would you like to learn from it?  
Are there specific issues you would like to discuss during this lecture?

- Cas et thématiques:
  - Utilisation main d'oeuvre bon marché
  - Finance et éthique: : éthique des bailouts, Buffet tax, Tobin tax, délits d'initié, HFT, bonus des dirigeants, carbon trading ...
  - The issue of horsemeat in lasagnas.
  - The sentencing of Goldman Sachs. Even if it is not an organization, Dieudonné.
  - IKEA
  - Arcelor Mittal, Caterpillar
  - Analyse de cycle de vie
  - Obsolescence programmée
  - Salaire des CEO
  - Délocalisation
  - Greenwashing
  - Corporate social responsiveness
  - “You can’t be a manager without making your hands dirty at one point”.
  - Comment le respect sociétal peut devenir une force pour une entreprise ou au contraire un frein, qui la bloquerait dans son évolution, expansion, ou diversification.

CHECK : 31/03 !!

Have you ever been **confronted** with an ethical dilemma?

why this was an ethical dilemma for you? how you attempted to solve it? why you succeeded or did not succeed in solving it?

### **Examples of ethical dilemma :**

- *Milieu professionnel (job étudiant/stage): vol, confidentialité et déontologie comptable  
qualité service boulangerie, employé CDD malade, H&M, recherche scoop, Dumping social  
(transport), patient en phase finale*
- *Vie quotidienne: consommation (achat d'une voiture, fair trade products (expensive for  
students)*
- *Vie associative: recrutement organisation étudiante et discrimination, Montée football  
(transferts)*
- *Contexte scolaire: favoritisme, mémoire “copier/coller”, ...*
- *Réflexion sociétale: IKEA, Banque et pauvreté*

# According to you, what are the **factors** that can explain the rising importance of **CSR** for organizations today?

- Pressure of stakeholders: NGO , media, customers, competitors, government (legal restrictions )
- Risk/reputation management: access to info, émergence réseaux sociaux, ...
- Facteurs écologiques: scarcity of resources, Réchauffement climatique, pollution
- Facteurs sociaux: droits de l'homme non respectés , Egalité des chances, corruption, racisme, ...
- Poids des entreprises par rapport aux états et influence sur l'organisation vie citoyenne
- Complexité du monde, entreprises confrontées à de plus en plus de choix : CSR= guide
- Dysfonctionnements: Crises, limite du capitalisme et individualisme, surconsommation, gaspillage, dérégulation marchés financiers, injustice fiscale
- Mondialisation
- CSR= argument de vente et attraction travailleurs motivés (sens et work-life-balance)
- Innovation

# Why a CSR course at UCL (LSM + Fac Sciences Eco, Pol & Com) ?



## ① AGIR EN ACTEUR SOCIALEMENT RESPONSABLE

Agir en tant qu'acteur réflexif, conscient de ses responsabilités, plaçant les valeurs éthiques et humanistes au centre des perspectives.

- 1.1. Faire preuve d'indépendance intellectuelle dans le raisonnement, porter un regard critique et réflexif sur les savoirs (académiques et de sens commun) et pratiques managériales en tenant compte de leur contexte d'émergence et de leurs finalités.
- 1.2. Décider et agir en intégrant des valeurs éthiques, humanistes, d'intégrité, de respect des lois et des conventions, de solidarité citoyenne, de développement durable.
- 1.3. Décider et agir de manière responsable en prenant en considération les répercussions économiques, sociales et environnementales à court, moyen et long terme, et parfois antinomiques, de ses décisions et de ses actes pour les différentes parties prenantes.

# Work principles for this course

- Learning goals and outcomes
- Conduct during classes
- Communication
- Pre- & post-readings and writings
- Business cases
- Evaluation grid
- Further recommended readings

# Contrat pédagogique

***Acquis d'apprentissage au terme du cours***

"A la fin de ce cours, l'étudiant est capable :

- **de prendre du recul par rapport aux modèles économiques « classiques » et d'exercer un regard critique sur l'activité d'une entreprise en la mettant en perspective par rapport à des critères de développement durable (sociaux, économiques et environnementaux) et d'intégrité.**
- **d'identifier l'ensemble des parties prenantes d'une organisation**
- **d'évaluer les conséquences des décisions prises en entreprise en termes de responsabilité personnelle et sociétale**
- **de formuler un projet professionnel en phase avec ses propres valeurs**

# Contrat pédagogique

**Contenu - Ce cours aborde les matières suivantes :**

- *Ethique et valeurs personnelles*
- *Historique et dernières évolutions de la CSR*
- *Identifications et rencontres avec les acteurs de la CSR en entreprise et dans les organisations spécialisées*
- *Réflexion active sur des cas pertinents*
- *Lien entre CSR et management/leadership/gestion changement/finance/achats/communication/Ressources Humaines*
- *Découverte des notions clés en termes de RSE et développement durable : économie circulaire, entreprenariat social, création de valeur partagée, Triple bottom line, ...*
- *Normes et indicateurs en CSR*
- *Construire une carrière « responsable »*

# Conduct during classes

- Classes are not compulsory
- If you are there, you are really there (not working on computers or phones)
- You share your ideas with all the group (not just your neighbours)
- You express anytime questions which can reasonably be thought to be interesting for the group
- Slides of the classes will be posted on the intranet on the day of the class or within 48h

# Communication

- Mail
- Student Corner
- Social Media
  - Twitter: **#csruclmons** (commentaires certaines lectures, questions préalables, partage infos)
  - Linked In ?
  - Pinterest ?

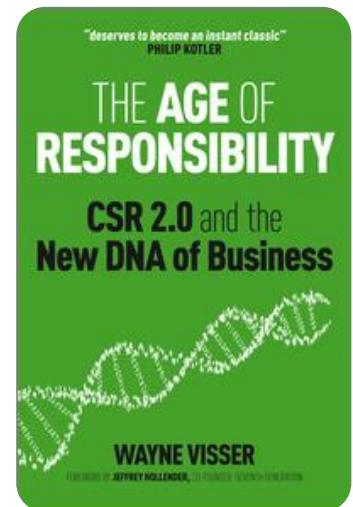
# Evaluation

## Les modalités d'évaluation

Dispositifs / situations d'évaluation	Moment de l'évaluation	Finalité de l'évaluation : formative et/ou certificative	Apprentissages, compétences évalués	Critères d'évaluation (de la maîtrise de la compétence)
<b>Participation active et contributive</b> 25%	Lors de chaque cours Lectures préparatoires	Développement esprit critique	AA 1	Questions avant/pendant/après le cours Réactions par rapport à des articles/lectures (Tweet) Qualité pas seulement quantité !!
<b>Business Case – Travail de groupe</b> 50%	Semaine 9 et 10	Vérification acquis des connaissances	AA1 à AA3	<b>Voir cours 3 février</b>
<b>Examen écrit</b> 25%	<b>Session Juin</b>	Capacité de critiquer de façon arguémentée des problématiques CSR abordées durant les cours et dans l'ouvrage de référence + acquis théorie	AA1 à AA3	<b>QCM</b>

# Pre- & post-readings and writings

- The reference book for this course is “The age of responsibility: CSR 2.0 and the new DNA of business” by Wayne Visser (Wiley)
- Chapters of this book (indicated in the program – see next slides) will be required pre-readings for various classes
- Other articles & materials (videos or podcasts) will be required or suggested for various classes
- For classes 1 and 7 (and possibly for others), business cases will have to be prepared and preparations will have to be submitted to the professors before the class
- The preparation can be done individually or in group (3 persons per group maximum)
- After the classes, preparatory work will have to be reviewed and the reviews will have to be submitted to the professors within the next 5 days



# Business cases

- Info : Class #2
- Selection: March 17th
- Validation: March 24th
- Pre-review: March 31th
- Presentation: during classes 9 and 10 (6 groups per class); 20 min max presentation followed by debate
- Groups composition: 8 (to be checked in function of number of students); everybody needs to accomplish a specific task; everybody needs to participate in the preparation
- Evaluation criteria: see Evaluation grid

# Further recommended readings

- ***The practice of adaptive leadership***, Ronald Heifetz, Alexander Grashow & Marty Linsky, HBR ed., 2009
- ***Leadership without easy answers***, Ronald Heifetz, HBR ed., 1994
- ***Leadership on the line***, Ronald Heifetz & Marty Linsky, HBR ed., 2002
- ***Leadership can be taught***, Sharon Daloz Parks, HBR ed., 2005
- ***Defining moments***, Joseph Badaracco, HBR ed, 2003
- ***Leading quietly***, Joseph Badaracco, HBR ed., 2002
- ***Questions of character***, Joseph Badaracco, HBR ed., 2006
- ***Arts of the wise leader***, Mark Strom, Sophos ed., 2007 ([www.artsofthewiseleader.com](http://www.artsofthewiseleader.com))
- ***The powers to lead***, Joseph Nye, HBR ed., 2008
- ***Leading with wisdom: spiritual-based leadership in business***, Peter Pruzan & Kirsten Pruzan Mikkelsen, Response ed., 2009
- ***Rational, Ethical & Spiritual Perspectives on Leadership***, Peter Pruzan, Peter Lang ed., 2009
- ***Leadership, Spirituality and the Common Good***, Henri-Claude de Bettignies & Mike J. Thompson, Garant ed., 2010

# Further recommended readings

- ***La responsabilité sociale de l'entreprise comme objet des sciences de gestion***, Jean Pasquero dans Responsabilité sociale et environnementale de l'entreprise, sous la dir. de Marie-France B.-Turcotte et Anne Salmon, Presses de l'Université du Québec, 2005
- ***Responsabilité sociale des entreprises et co-régulation***, T. Berns, P.F. Docquir, B. Frydman, L. Hennebel & G. Lewkowicz, Bruylant 2007
- ***La société malade la gestion***, Vincent de Gauléjac, Seuil, 2005
- ***Le capitalisme est-il moral***, André Comte-Sponville, Albin Michel, 2004
- ***Ethique et ordre économique: une entreprise de séduction***, CNRS Editions, 2002
- ***Le fondement de la morale***, Marcel Conche, PUF, 1993
- ***Rethinking business ethics – A pragmatic approach***, Sandra Rosenthal & Rogene Buchholz, Oxford Press, 2000
- ***Business Ethics & Values***, Colin Fischer & Alan Lovell, FT Prentice Hall, 2003
- ***Working ethics***, Marvin Brown, Jossey-Bass, 1990
- ***Responsabilité sociale de l'entreprise : Faut-il enchaîner Prométhée ?***, Philippe de Woot, Economica, 2005
- ***Does business ethics pay?***, S. Webley & E. More, London IBE, 2003
- ***Managing messy moral matters***, C.M. Fischer & C. Rice, in Strategic Human Resources, J. Leopold, L. Harris & T.J. Watson, 1999
- ***Consumed: How Markets Corrupt Children, Infantilize Adults, and Swallow Citizens Whole***, B. Barber, 2007
- ***Capitalism at crossroads***, S. Hart, 2005

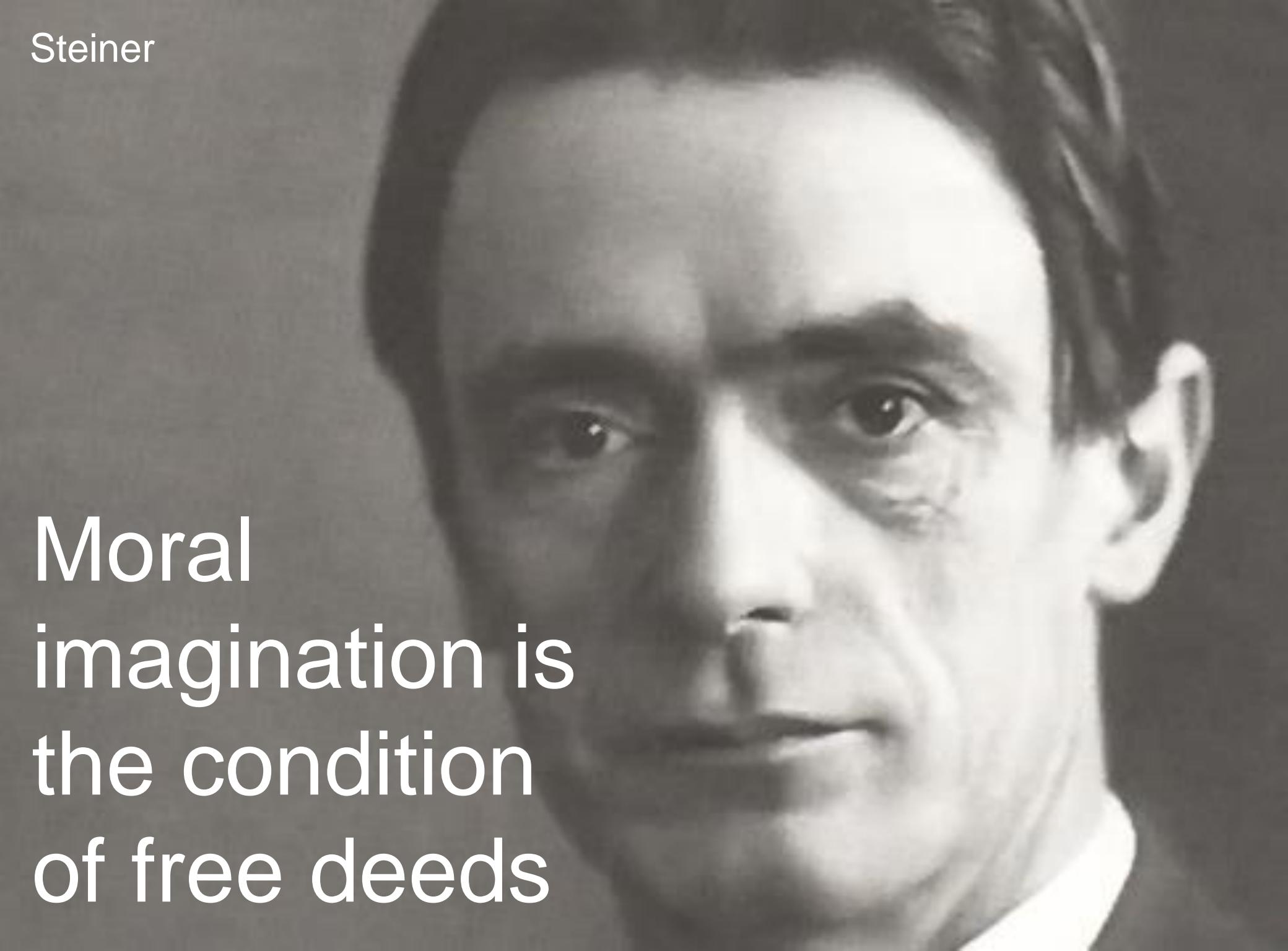
# Further recommended readings

- *DD : l'avenir des PME /Pour une économie partenariale, Karin Boras, Afnor ,2011*
- *Les Business Model du futur , C Sempels , J Hoffmann, Pearson, 2012*
- *Responsabilité sociétale ressources humaines, M Gouiran, Afnor 2011*
- *80 Hommes pour la Planète, Leroux & S Darnil, JC Lattes, 2005*
- *Ecolonomies, Emmanuel Druon, Pearson, 2012*
- *Natural Capitalism, Hawken, Lovins, Backbays , 2000*
- *The New Sustainability Advantage – 7 Business Case Benefits of a 3 Bottom Line, B Willard, New Society, 2012*
- *MVO 2.0 –Een duurzaam businessmodel voor innovative ondernemers, A Van de Meulebroecke, Kluwer, 2012*
- *Atlas des développements durables - Y Veyret & P Arnould, Ed. Autrement, 2008*
- *La vie Share, mode d'emploi - A-S Novel, Alternatives, 2013*
- *La guérison du monde, Frédéric Lenoir, Fayard, 2012*

# Program

1	CSR foundations: Ethical Imagination – why & how?	-	27/01
2	CSR evolution 1: Which is the true story?	Ch. 1	10/02
3	CSR evolution 2: Which age are we in?	Ch. 2-4	17/02
4	CSR evolution 3: Why the management age failed?	Ch. 5-6	10/03
5	CSR 2.0 principles: Creativity, scalability & responsiveness?	Ch. 7-9	17/03
6	CSR 2.0 principles: Glocality & Circularity?	Ch. 10-11	24/03
7	CSR leadership: Is adaptive leadership necessary?	-	31/03
8	CSR change management: how to be a CSR change agent?	Ch. 12-13	28/04
9	Presentation of business cases 1	-	05/05
10	Presentation of business cases 2	-	12/05

Steiner

A black and white portrait of Rudolf Steiner, a man with dark hair and a thoughtful expression, looking slightly to the right.

Moral  
imagination is  
the condition  
of free deeds

# What would you do if you were Lee Pinto?



Would you retrieve the  
Pinto's from the market  
or not?

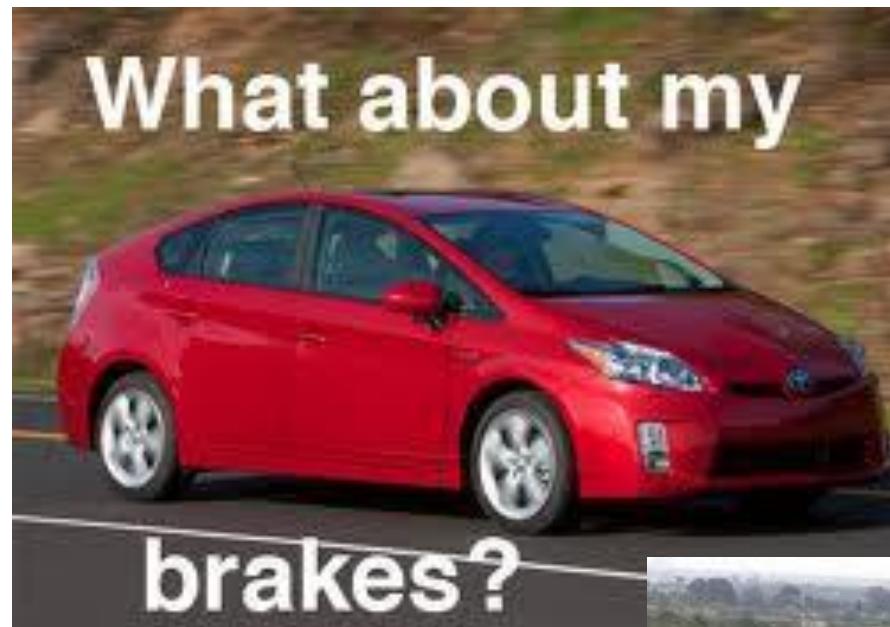
# What did Lee Iacocca, CEO of Ford ?

What does the 1974 Ford Pinto scandal teach us about CSR?



# What did M. Toyoda, CEO of Toyota?

What does the 2010 Toyota break scandal teach us about CSR?



## Fixing the Toyota pedal assembly

Toyota is recalling vehicles with worn accelerator pedal mechanisms that can cause the foot pedal to stick.

### Current pedal

Excessive friction on contact points can cause gas pedal to stick.

### Reinforced pedal

Reinforcement bar reduces surface tension and excessive friction.



**The fix:**  
Precision-cut steel reinforcement bar inserted

Sources: Toyota, Bloomberg News

Robert Calzada/AMERICAN STATESMAN



WALLY, I DISCOVERED  
A DEADLY SAFETY FLAW  
IN OUR PRODUCT. WHO  
SHOULD I INFORM?



www.dilbert.com

NO ONE. THE STOCK  
WOULD PLUNGE AND  
WE'D HAVE MASSIVE  
LAYOFFS. YOUR  
CAREER WOULD BE  
RUINED.

© 2000 Scott Adams, Inc./Cartoon Features Inc.



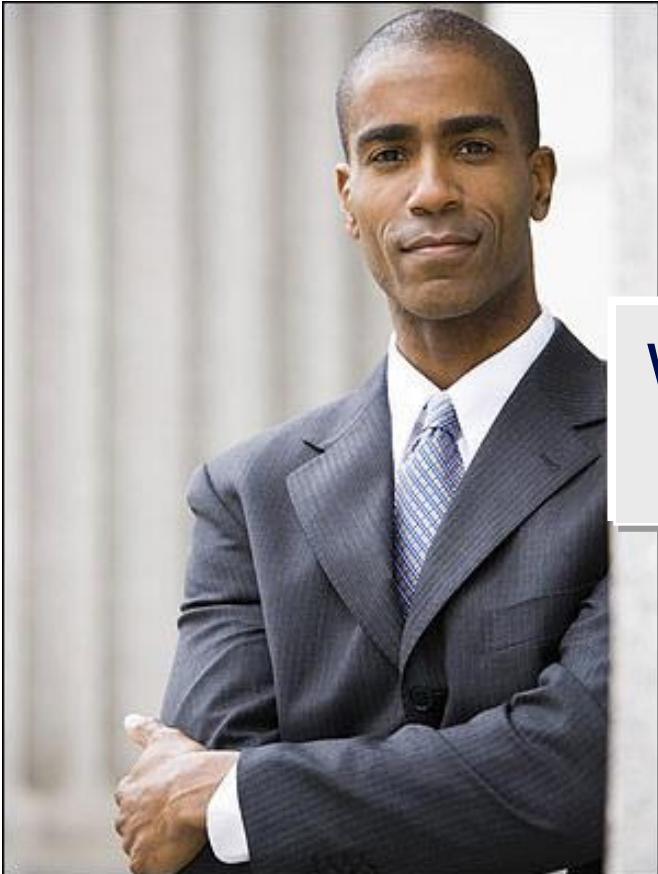
BUT MY NEGLIGENCE  
COULD CAUSE THE  
DEATHS OF A DOZEN  
CUSTOMERS.

THE FIRST  
DOZEN IS  
ALWAYS THE  
HARDEST.



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# What would you do if you were Steve Lewis?



Would you go to the meeting  
or not ?





« 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

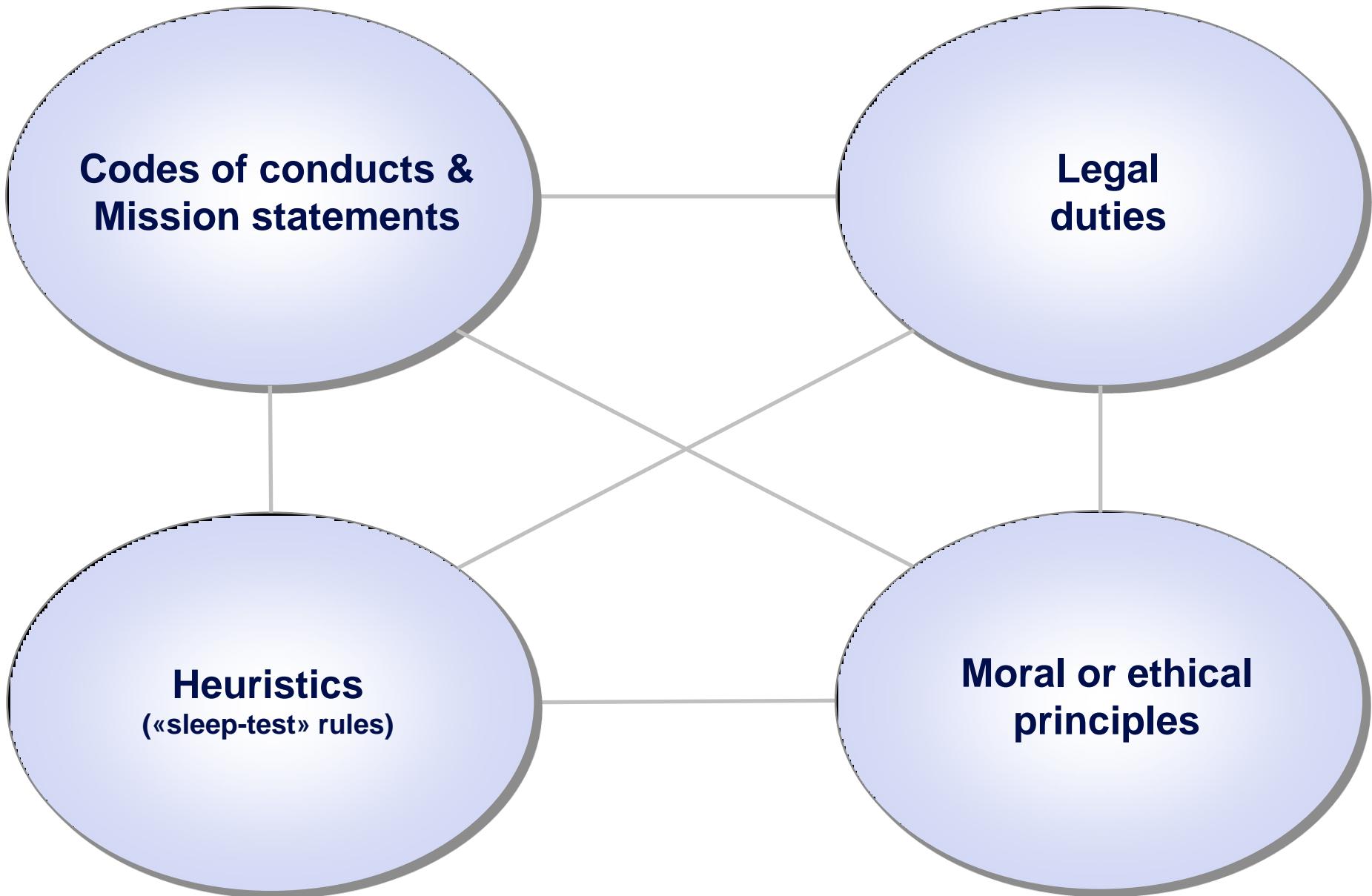
(Marvin Brown, author & ethics consultant)

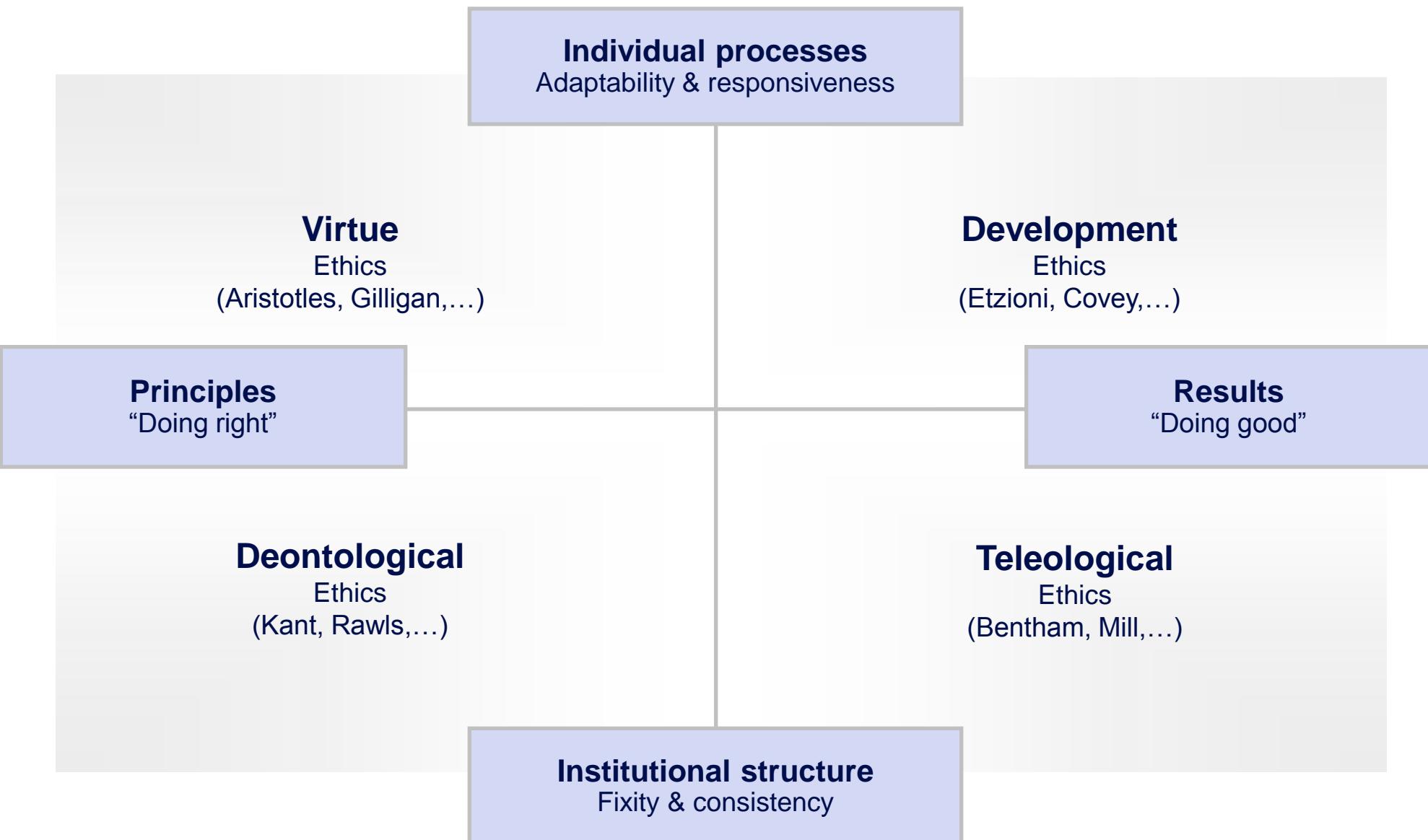


An ethos is the doctrine of a particular art of living the best possible life and the means to pursue this aim (i.e. to live happily or to search for truth)  
(Marcel Conche, philosopher)



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**.





## 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
<b>Legal duties</b>			
<b>1. Legalist test.</b> Is my decision in accordance with the law?			
<b>Corporate credos &amp; mission statements</b>			
<b>2. Organisational test.</b> Is my decision in accordance with my organisation's rules of conduct or ethics			
<b>Heuristics</b>			
<b>3. Hedonistic or intuitive test.</b> Does my decision correspond with my gut feeling and my values? Does it make me feel good?			
<b>Respect of ethical principles</b>			
<b>Virtue ethics</b>			
<b>4. Light-of-day test.</b> Would I feel good or bad if others (friends, family, colleagues) were to know of my decision and action?			
<b>5. Virtuous mean test.</b> Does my decision add to, or detract from, the creation of a good life by finding a balance between justice, care and other virtues?			
<b>Deontological ethics</b>			
<b>6. Veil of ignorance/Golden Rule.</b> 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?			
<b>7. Universality test.</b> 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?			
<b>Development ethics</b>			
<b>8. The communitarian test.</b> Would my action and plan help or hinder individuals and communities to develop ethically?			
<b>9. Self-interest test.</b> Do the decision and plan meet or defeat my own best interests and values?			
<b>Teleological ethics</b>			
<b>10. Consequentialist test.</b> Are the anticipated consequences of my decision and plan positive or negative?			
<b>11. Utilitarian test.</b> Are the anticipated consequences of my decision and plan positive or negative for the greatest number?			
<b>12. The discourse test.</b> 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 Peter Adario?



What should you do  
if a single parent on your staff  
is falling behind  
in his or her work?

**Other  
interpretations?**

**Cash value?**

**Who are we ?**

*“Truth happens to an idea.  
Its verity is in fact  
an event, an idea”  
(William James)*

**Winning?**

**Process?**

## Questions to think «internal» dilemmas – Peter Adario's case

**“What are the other strong, persuasive, competing interpretations of the situation or problem that I hope to use as a defining moment for my org.?”**

(To understand that, for Walters, the basic ethical issue was irresponsibility: McNeil's for not pulling her weight & his for not taking action)

**“What is the cash value of this situation and of my ideas for the people whose support I need?”**

(Refine his message and shape it to the psychological & political context in which he was working, in terms of raising productivity or improving recruiting)

# Who are we ?

*“Truth happens to an idea.  
Its verity is in fact  
an event, an idea”  
(William James)*

**“Am I playing to win?”**

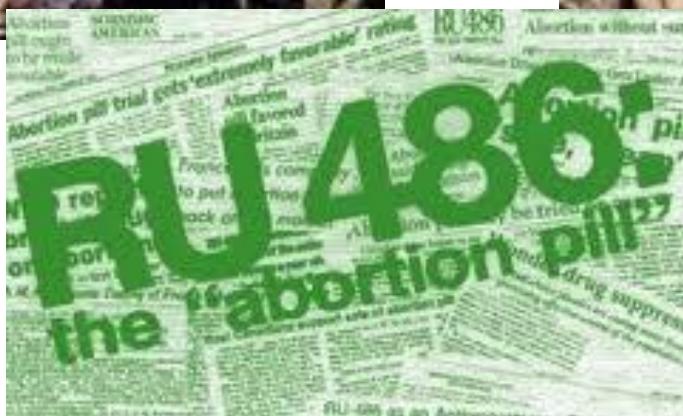
(To take swift actions to counter Walters:  
While Adario was out of the office, she worked with one of the bosses to swiftly resolve McNeil's issue)

**“Have I orchestrated a process that can make the values I care about become the truth of my organization?”**

(After hiring McNeil, to start quickly to let her & her work known to his bosses & to campaign for a more family-friendly workplace)

# What would you do if you were E. Sakiz ?

Would you launch the  
RU 486 or not?



***Securing my position?***

***Imagination?***

***Who is the organisation?***

*"Ethics result from the inescapable tension between Virtue & Virtu"*  
(Aristote & Machiavel)

***Moral & practical balance?***

***Lion or fox?***

## Questions to think «societal» ethical dilemmas – Edouard Sakiz' case

**“Have I done all I can to secure my position and the strength & stability of my organization?”**

(To refrain to take decisions that could expose directly  
The organization or to confront the BoA's president)

**“Have I thought creatively & imaginatively about my organization’s role in society & its relationship to its stakeholders?”**

(To orchestrate a public debate among the different stakeholders)

# Who is the organisation?

*“Ethics result from the inescapable tension between Virtue & Virtu”*  
(Aristote & Machiavel)

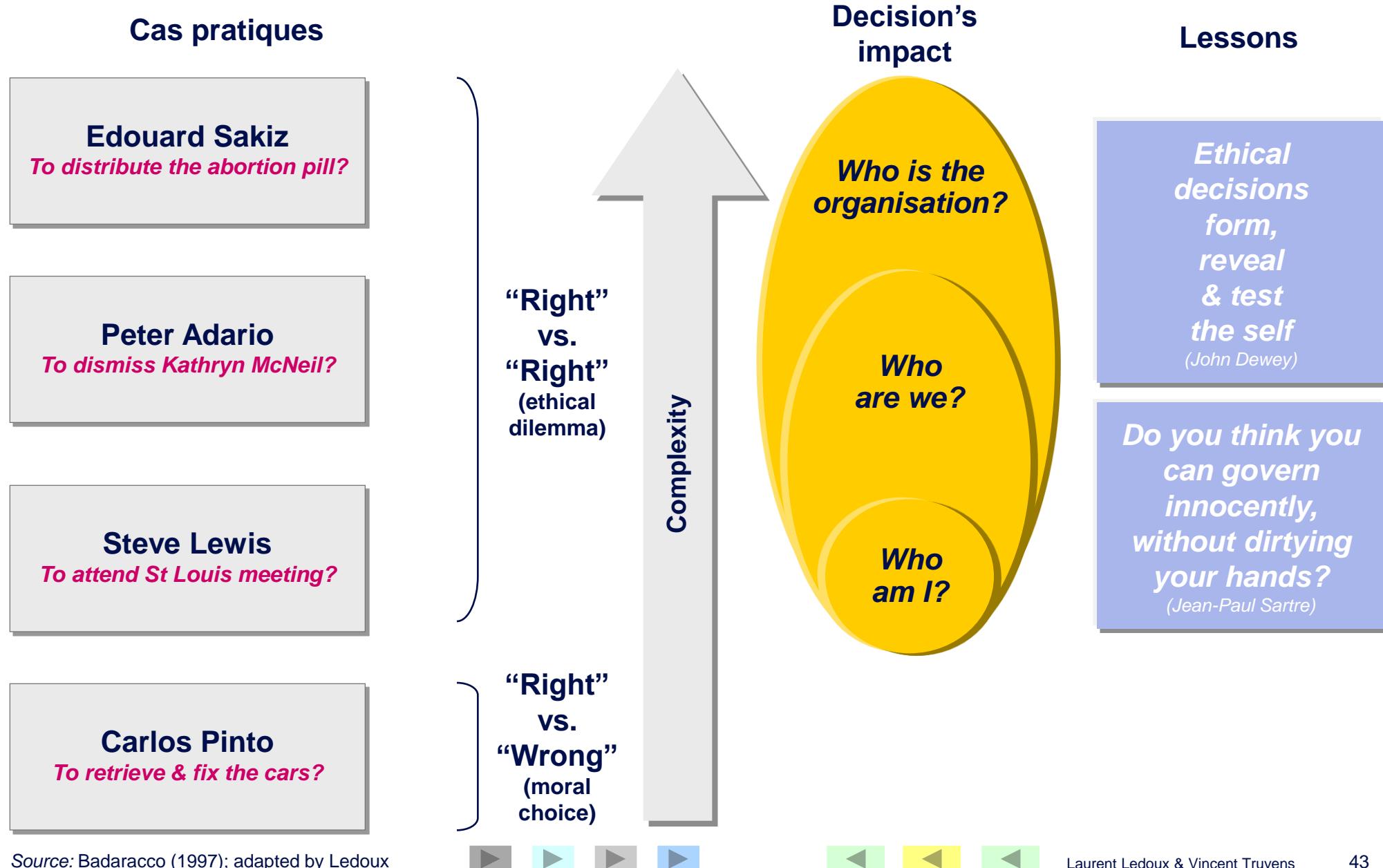
**“Have you done all you can to strike a balance, both morally & practically?”**

(To market the new drug without endangering the organization)

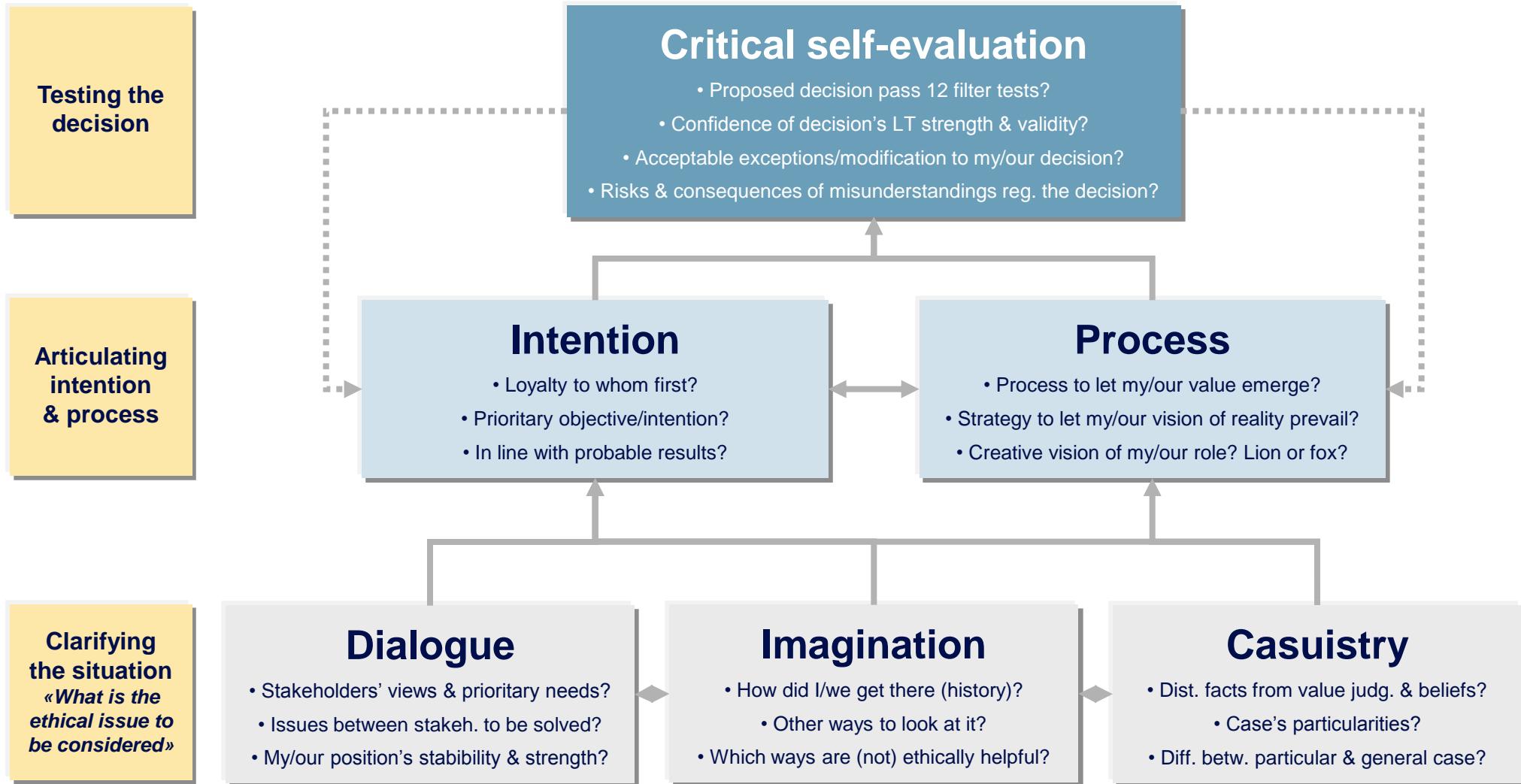
**“Should I play the lion or the fox?”**

(To organize and support a vote that will trigger a massive counter-reaction from other actors)

## Commonalities & divergences between the 4 case studies



## A sequence of questions for guiding ethical judgement

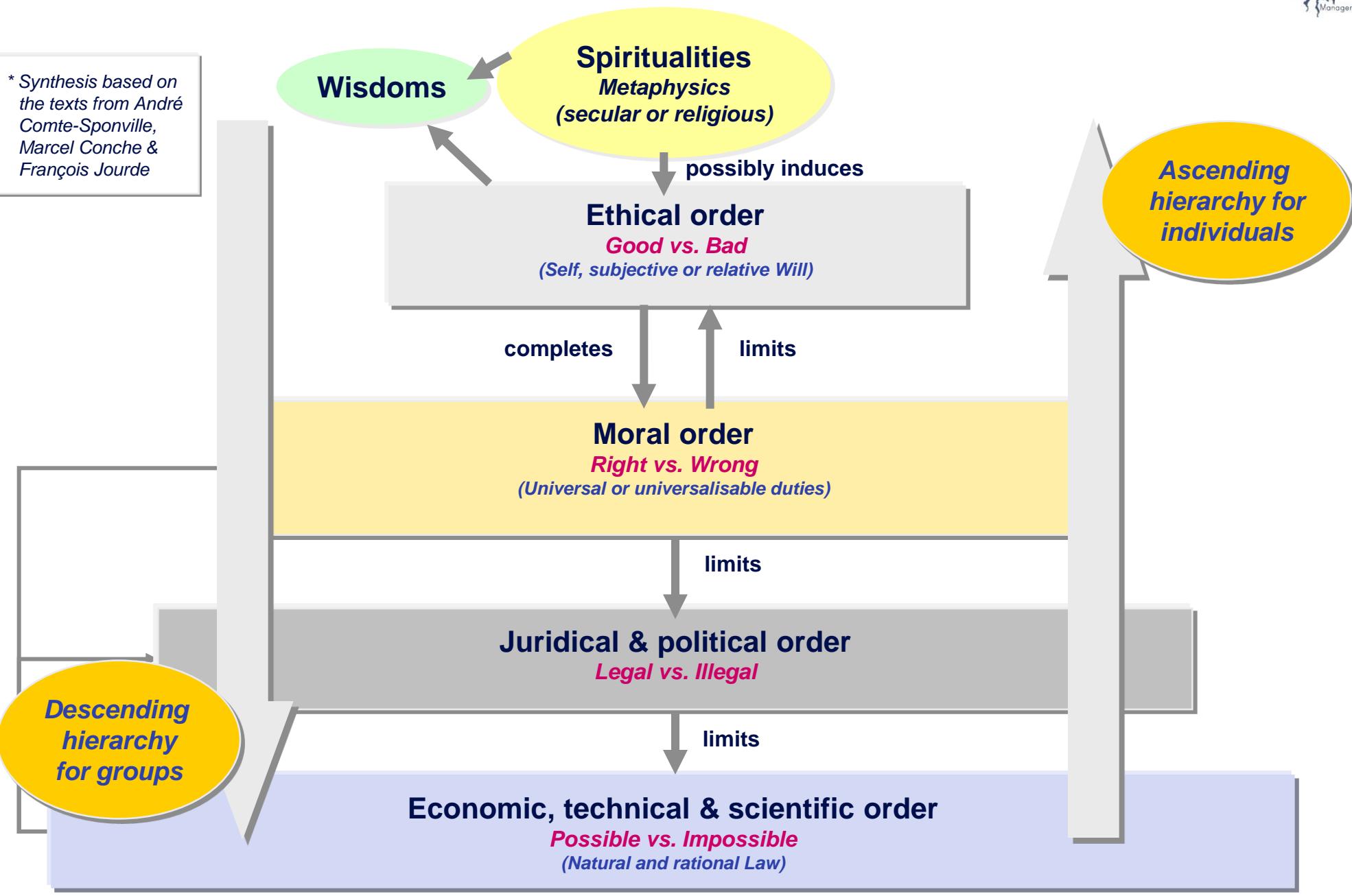


Clarifying the situation  
*«What is the ethical issue to be considered»*

# The 4 orders & the tensions between the individual and the group



\* Synthesis based on the texts from André Comte-Sponville, Marcel Conche & François Jourde





# Ethical dilemmas

Reveal  
Ourselves  
& stimulates  
creativity

Badaracco

