

NEW NORMAL

Unisex & Planet

Global Voice

The present and future of business

Human rights are women's rights

Do the right thing: Leadership & ethics

The digital divide and the perfect inequality storm

The Rise of the
new normal
Special Faculty
& Student Issue



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Recognising the enormous role business can and must play in helping solve large-scale, global issues facing the world, seven business schools from around the world have formed a partnership: The Council on Business & Society. Through our individual and collective efforts, we strive to create and disseminate knowledge about those issues and train future business leaders capable of and committed to solving them.

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COUNCIL COMMUNICATION TEAM

For further information and enquiries, please contact:



ESSEC Business School (France)

Mr. Tom Gamble
tom.gamble@essec.edu
+33 134 439 656



Warwick Business School
(United Kingdom)

Mr. Warren Manger
warren.manger@wbs.ac.uk
+44 2476 572 512



FGV-EAESP (Brazil)

Prof. And Vice-Dean Tales Andreassi
tales.andreassi@fgv.br
+55 113 799 7821



Keio Business School (Japan)

Mr. Hiroshi Takagi
hiroshi.takagi@kbs.keio.ac.jp
+81 455 642 045



School of Management,
Fudan University (China)

Mrs. Elsa Huang
hzhuang@fudan.edu.cn
+86 212 501 1408



Trinity College Dublin
Business School (Ireland)

Mr. Ian Dunne
ian.dunne@tcd.ie
+353 (0) 1 896 2493

Compiled and edited by Tom Gamble, the Council on Business & Society.

With special thanks to the design team at ESSEC:
Guillaume Audabram, Pascal Constantin, **Melissa Guillou**, Maëlis Tronet, Matthieu Anziani.



With thanks to CoBS Editors Guragam Singh and Tanvi Rakesh.

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ISBN: 978-2-36456-195-3

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ESSEC Business School, France, Asia-Pacific, Africa.

"At ESSEC, we believe that training students and participants for responsible leadership is key for answering the challenges of a complex world. Together with the members of the Council on Business & Society, we strive to promote responsibility so as to impact today's economy and society, and shape tomorrow's world."

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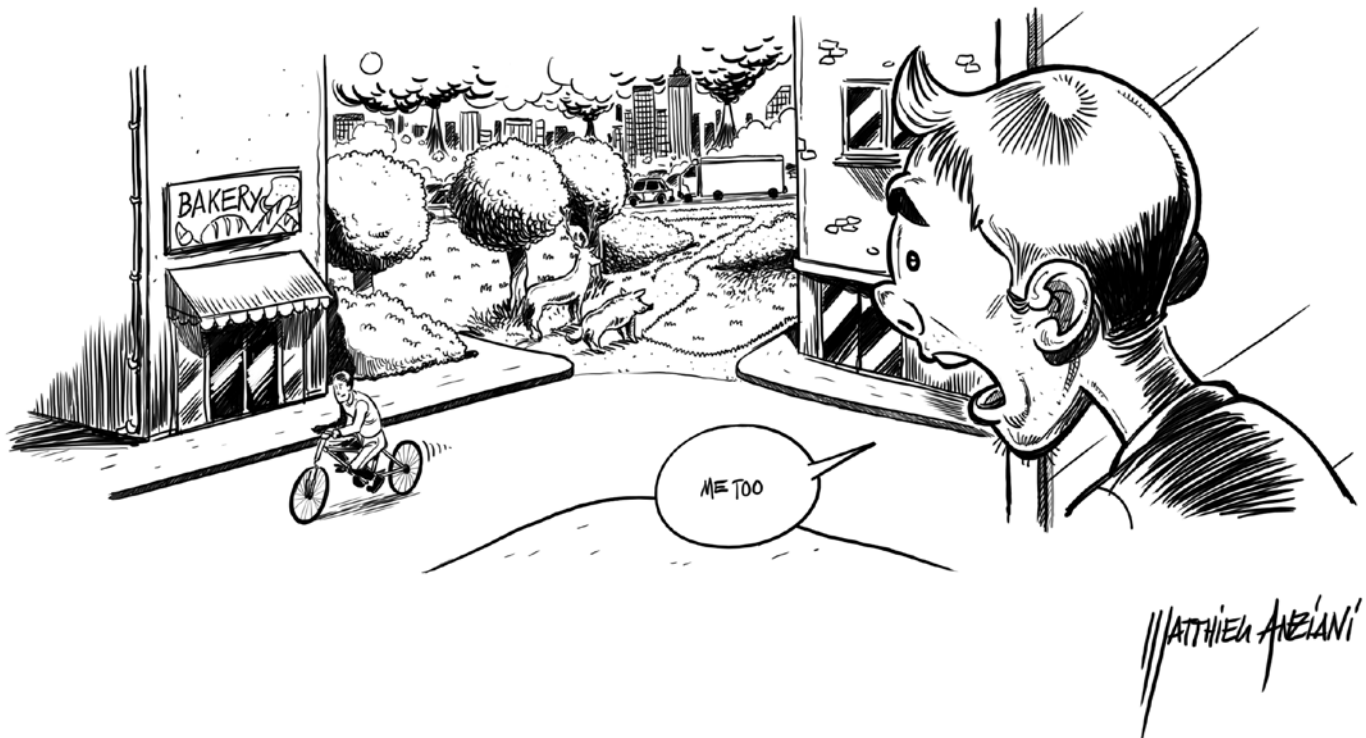
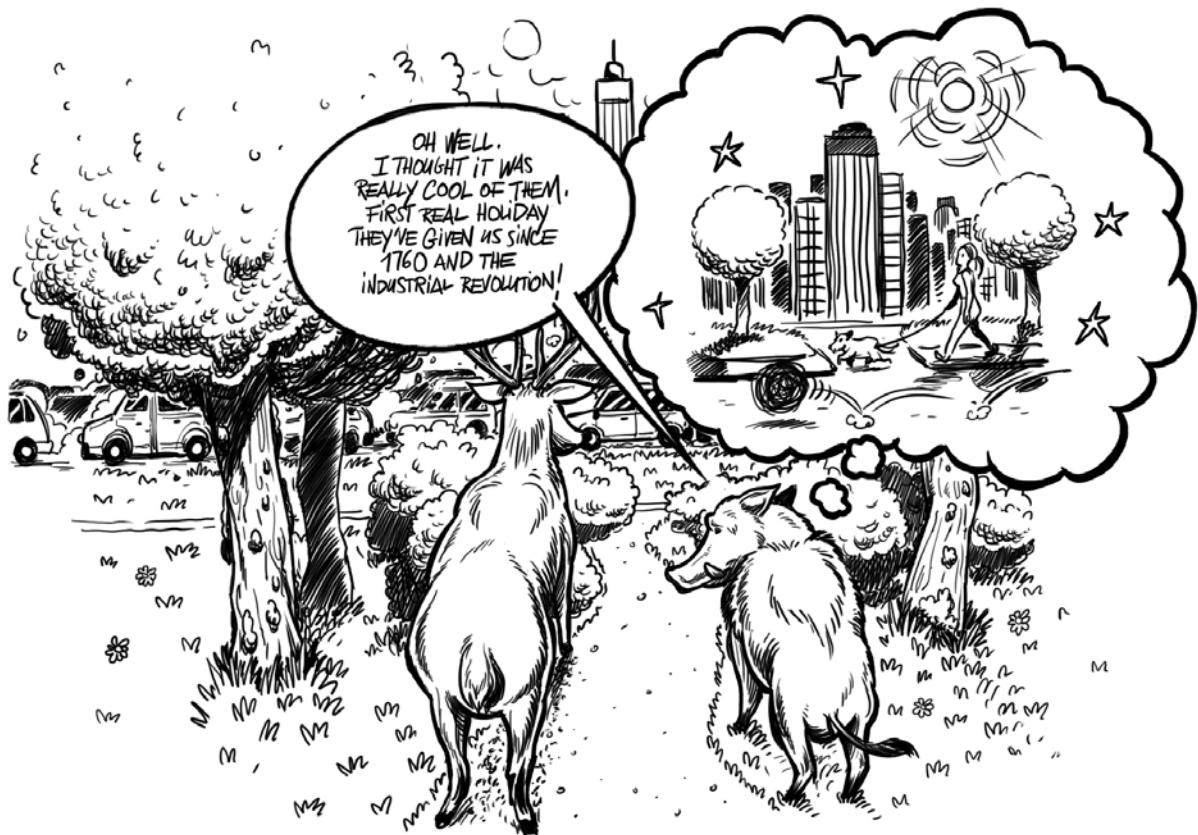
"We are the business school at the heart of a world-renowned research-led university located at the centre of a European capital city and a hub for global business. Our approach to education encapsulates a project-based approach where impact on both business and society are key. We encourage our students to graduate with a 'moral compass' to take a step further in order to excel at ethical leadership beyond the realm of the organisation."



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/Editorial

THE PRESENT AND FUTURE OF BUSINESS:
THE RISE OF THE “NEW NORMAL”

The Covid-19 crisis has changed the way our systems work, how our companies and organisations operate, and how we lead our daily lives. It's also given us a chance to view the world of business through a different lens.

By Dr. Tanusree Jain, Professor of Ethical Business at Trinity Business School, Trinity College Dublin, Dr. Adrian Zicari, Professor, ESSEC Business School, Paris, and Dr. Harry Van Buren, Barbara and David A. Koch, Endowed Chair in Business Ethics, Opus College of Business, University of St. Thomas, Minneapolis.

The COVID-19 virus pandemic has changed and will continue to change the world in profound ways. Our social, economic and political world will never be the same.

Of late the role of business has been under the microscope. The cheap talk of many businesses has been exposed and business as usual has been questioned, and rightfully so. Around the world, legislation seeking to provide various forms of support for industries decimated by the pandemic, such as travel and tourism, has been debated and passed. There is also considerable discussion about public economic support for people who are losing part or all of their livelihoods, while exposing how national infrastructures, even in rich nations, have been desperately unprepared for a pandemic of this scale. For every country, getting through the pandemic with a minimum loss of life and human suffering has been the most important goal.

An opportunity to rethink things

While these are all necessary and important conversations that will continue for many months to come, herein lies an opportunity—and we argue, a necessity—for bu-

siness to rethink what it does in ways that embrace more conscious forms of capitalism. Conscious capitalism is understood as unleashing the heroic spirit of business whereby companies act in ways that better reflect our collective human journey and the present state of our world today, and in so doing use their resources and competencies in ways that promote the common good and help ensure that one day there will be a sense of normalcy in which people and communities can flourish.

This spirit of heroism is being demonstrated today in several ways. Some companies have transformed their processes to fill up the dwindling supplies of products essential to cope with the coronavirus pandemic. Big and small distilleries such as Jameson and Powers Whiskey in Ireland, Moët & Chandon Champagne in France, 11 Wells Spirits in St. Paul, Minnesota, and BrewDog Beer in the UK are helping with manufacturing hand sanitizers and supplying alcohol in a bid to help with the shortage of it. There are myriad other business examples of repurposing existing skills in new and medically useful ways: Reliance Industries in India is ramping up production of masks, Zara in Spain is manufacturing hospital





gowns, while Alibaba in China are collaborating with multiple suppliers to help governments of Asian and European countries protect billions that have faced and are facing the COVID-19 pandemic.

Other companies are enabling access to essential goods to make life easier, especially for the most vulnerable among us. This includes voluntary reduction of prices of hygiene products by fast-moving consumer goods companies in India such as Hindustan Lever and Godrej, proactive action by grocers and supermarkets like the German chain Lidl to prevent hoarding and stockpiling of essential commodities, and introduction of priority shopping hours for those most vulnerable at American retailers such as Target. Free subscriptions are being offered by software providers like Zoom, Microsoft, and Google to support the growing demand of work for home users, allowing people some modicum in productivity and normalcy at a time when both are needed by workers and companies alike. Hotel chains such as The Fletcher and Van der Valk in Netherlands have begun converting some of their hotels into emergency facilities for corona patients, and an Indian startup, Mylab is determined to provide testing kits at one fourth the market prices.

Crisis gives rise to human ingenuity and creativity

Another interesting trend is the organic emergence of problem-solving communities, which have formed on a just-in-time basis to respond to local needs and circumstances. Notably, an Irish team is leading an interna-

tional community of engineers, designers and medical professionals to design and develop low-cost ventilators. In a similar vein, Malaysian 3D printing and design communities are coming together to produce face shields. The exercise of human ingenuity and creativity is meeting real human need around the world, and these organic problem-solving communities offer important insights about how companies can do the same.

In a sense, this crisis is calling for a revision of our understanding of corporate citizenship. The contribution of companies is no longer limited to philanthropy, very much welcome as it is. In fact, the role of companies is expanding to embrace a commitment to augment and improve societal infrastructures that we too often take for granted in our single-minded focus on tax reductions and fiscal pressures. There will be lots of time in the future to have debates about business responsibility, regulation, and the place of business in society. When there is some semblance of normalcy—which we hope comes soon but we know may not—there are real lessons that we can learn from the responses of companies, large and small, to the pandemic.

The new normal

Business is always going to come under critical examination because of its power, responsibility, and numerous examples of irresponsible behavior. We hope that even as we yearn for a day when we can look back at the COVID-19 pandemic as something that happened in the past, the kinds of conscious capitalism that we are seeing today in contemporary responses to the pandemic become part of the “new normal” of business. The challenge for business today and tomorrow is this: how can businesses use their skills, creativity, resources, and capacities to create real value for stakeholders, environment and society? This challenge was fundamental to discussions about business ethics and corporate citizenship before the pandemic. It is essential now and will be absolutely essential from this time forward.



Dr. Tanusree Jain,
Professor of Ethical Business
at Trinity Business School,
Trinity College Dublin



Prof. Adrian Zicari
Executive Director
Council on Business & Society



Dr. Harry Van Buren
Endowed Chair in Business Ethics,
Opus College of Business,
University of St. Thomas, Minneapolis.

Our contributors

Brains that have Brawn

Hari Tsoukas,
Warwick Business School



Joyce Sano,
FGV-EAESP



Yingyan Wang,
Keio University



Aïda El Kohen,
ESSEC Business School



Sofia Tziortzi,
Warwick Business School



Mark Christensen,
ESSEC Business School



Geoffrey Lamberton,
Southern Cross University



Shriya Chowdhury,
Trinity Business School



Edward Keneuk Shin,
ESSEC Business School



Dinka Sabalic,
IE Business School



Ruth Vieira Melo,
FGV-EAESP



Our contributors

Brains that have Brawn

Carlo Alberto Calchera,
ESSEC Business School



José Javier Pérez Barea,
IE Business School



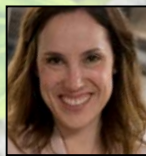
Megha Sureshkar,
ESSEC Business School



Yuqian Li,
Trinity Business School



Concepción Galdón,
IE Business School



Cécile Guignard,
ESSEC Business School



Fatima Alam,
Warwick Business School



Edgard Barki,
FGV-EAESP



Clémence Vignal Lambret,
Sciences Po



Yufei Huang,
Trinity Business School



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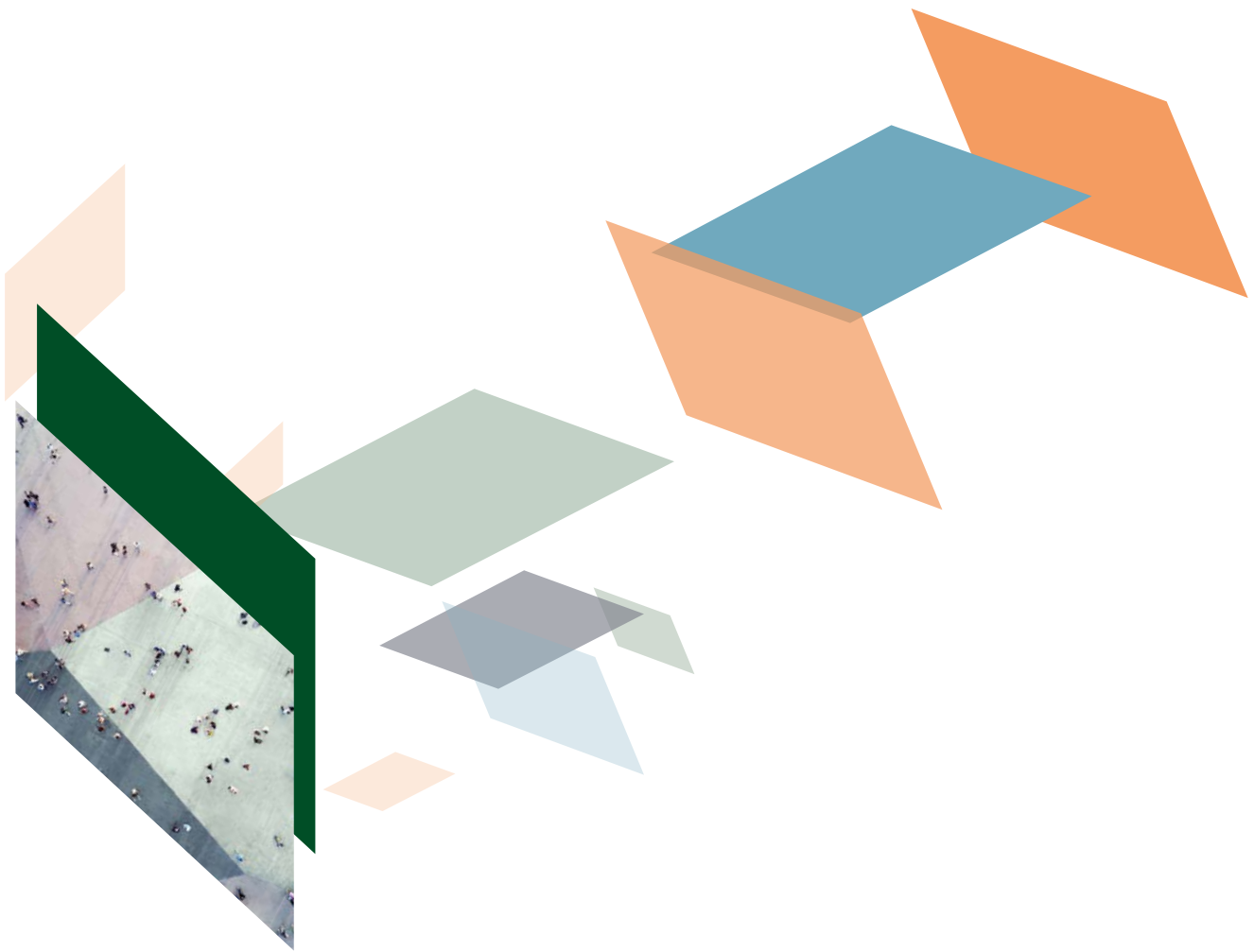
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RESPONSIBLE BUSINESS PRACTICES

RECOURCES
SUSTAINABILITY
ETHICS
CSR
RESPONSIBILITY

SINCERITY

LONG-TERM

DO THE RIGHT THING



An increasingly savvy public is demanding firms are ethical. It's time corporate strategy reflected this. **Hari Tsoukas**, Prof. of Organisational Behaviour at **Warwick Business School** – a standpoint.

With kind acknowledgements to Core Insights, Warwick Business School

ETHICS IS A MODERN NECESSITY THAT FIND ITS ROOTS IN HISTORY

The numerous corporate scandals that regularly grace the pages of the national media remind us how difficult the challenge is

of ensuring organisations, the executives that run them, and the people who work in them, behave responsibly. A common cause of these types of problem is the multiplicity of objectives in an organisation: the pursuit of excellence in what its members do, the drive for competitive advantage and success,

and the demands of external stakeholders and society. Insofar as there is a misalignment among them the circumstances may be created in which corporate wrongdoing and unethical behaviour can take place.



In the early 20th century, celebrated management thinkers were in little doubt that good management was not just about efficient administration but also about empowering individuals within organisations to provide value to society through collective action and common purpose.

Yet recent study of corporate strategy has been largely devoid of ethical concern, focused mainly on process (how to do it) as well as content (how to obtain competitive advantage) rather than on any ethical component of 'doing' strategy. I believe that it is time to put the ethics back into corporate strategy. In doing so, senior managers will be able to create a better balance between the pursuit of excellence and success in organisations, as well as a better alignment between the organisation and the demands of external stakeholders.

Ethics may seem a remote and academic topic for managers to consider. However, ethics has very practical and meaningful relevance for managers, who, through specific actions to incorporate ethical consideration into the organisation's strategic decision making, can achieve the alignment outlined.

In a broad sense, ethics is about asking certain types of questions – how we ought to act, morally speaking. These are questions we not only ask in our personal lives, but questions that senior executives necessarily ask when determining the strategy of their organisations. What is the organisation's purpose? What direction should the company go in? How is the firm going to compete with other firms? These are fundamental, practical questions about the strategic interests of the organisation – how

they are to be conceived, broadly or narrowly, short term or long term – through which the leadership comes to understand and set the ethical tone for the organisation. They are also questions that need revisiting regularly, as part of repurposing the business in a constantly shifting business landscape.

To understand how ethics plays into corporate strategy in a way that allows managers to better balance excellence and success I favour an approach that references elements and ideas that date back as far as the work of classical Greek philosophy, Aristotle in particular.

OF PRACTICE AND VIRTUES

His work on virtue ethics – 'the good life', character virtues and practical wisdom – remains of great importance for us today. As old as these concepts are, they are equally relevant to our 21st-century corporate world.

Essentially, for Aristotle, a life is worth living when it aims at becoming a good life. A good or fulfilled life is one that fosters the cultivation of virtues, as without virtues we cannot get on well in life. To have a virtue is to strive to excel at something, and there is a moral dimension to this, as it involves, for example, humility and hard work. The character (or moral) virtues that people develop, such as courage, generosity, and justice, for example, shape the way that individuals conduct their activities and meet collective ends. In a way, the virtues 'programme' people to make good choices of action. However, individuals also have to deliberate and consider what to do in a given circumstance.

What kind of virtuous behaviour is required in this or that particular context? This demands practical wisdom – an intellectual virtue that is the 'master virtue' in the sense that it takes into account the particular circumstances in which the moral virtues, which sometimes may clash (for example kindness versus sincerity), are activated. Practical wisdom, when developed, provides knowledge of the moral virtues, the circumstances that are being encountered, and an intuitive sense of what to do, acquired and inculcated by previous experience and working with others.

As we are reminded all too frequently, in the corporate world, being highly skilled or having a thorough understanding of company policies and procedures are not enough to ensure ethical behaviour. After all, corporate wrongdoing is often perpetrated by highly skilled, exceptionally knowledgeable individuals. What is lacking are the character virtues and practical wisdom that ensure the right course of action is chosen at the right time.

Elements of Aristotle's work are potentially useful in helping organisations understand how to embed a more ethical approach into their corporate strategy work. But to make these elements more practically useful for managers and organisations we must also add some of the ideas of Scottish philosopher Alasdair MacIntyre, author of *After Virtue*. MacIntyre wrote about "practices", by which he meant coherent, complex forms of socially established co-operative human activity, through which particular "goods" associated with that form of activity are realised.

For the purposes of building an ethical component into organisational strategy work, we can think of practices as the productive core practices of an organisation, without which that organisation would not exist. Take practitioners such as software writers developing open code, nurses attending patients, or maintenance technicians servicing a mobile telephone network. All these people are working in their respective "practices" – software development project team, A&E nursing staff and field engineer unit. By pursuing the collective goals of that practice, its members produce and derive satisfaction from the internal goods of the respective practice – software development, nursing care and telecoms engineering. These practitioners, engaged in their practices, need virtues in order to do their jobs well – vir-

tues such as honesty, diligence, temperance and fortitude, for example. Virtues also shape the relationships practitioners have with each other as they work together to develop their practices.

THE INSTITUTION AND ITS CORE PRACTICES

MacIntyre also introduced the idea of the "institution", recognising that core practices do not produce organisational success on their own. Core practices need to be institutionalised – to be involved in the competitive allocation of resources and rewards – in order to be sustainable over the long term. In other words, core practices need to be managed for attaining an overall organisational practice. If core practice members carry out the primary task of the organisation, managers carry out institutional work.

The latter is a practice in itself. To put it simply, organisations consist of two practices: the core practices that produce products and services and the institutional practice that seeks to provide coherence, direction and sustainability to the core practices. Although closer to creating a practical framework for executive action, there are still some challenges to overcome.

MacIntyre's view of practices is one of inherent co-operation. However, co-operative behaviour towards organisational goals requires specific types of structures and expectations to be in place within the organisation. Research shows that individuals will often identify strongly with their practice – as an A&E nurse or a telephone engineer, for example – and seek to protect and defend those interests at the expense of the organisation's overall interests. They may, for example, engage in behaviour to protect their local autonomy at the expense of headquarter-led initiatives. Also, a close and narrow focus on excelling at their own activities may blind practitioners to what is needed for the organisation to succeed as a whole. Practitioners may create a bubble removed from the realities of the world around them. As a result, they may lose sight of the fact that what they are achieving within their practice, no matter how accomplished, may no longer serve the interests of the organisation's overall purpose or indeed meet the changing expectations of the organisation's stakeholders.

Instead, the practitioners continue to preserve and improve existing standards of excellence, impervious to the fact that their efforts are ultimately unproductive when considered in the context of the organisation's strategy. These issues need addressing. The senior management must ensure that both the institution and its core practices work together in a coherent way, serving the interests and goals of the organisation overall and allowing core practices to be successfully sustained over time.

PURPOSE BRINGS THE "GOOD LIFE" TO THE COMMON GOOD

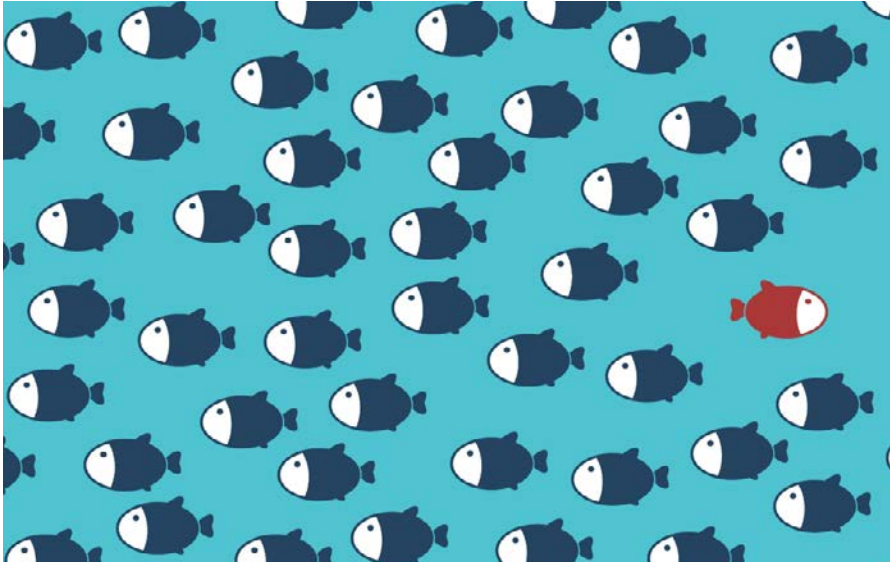
To do this, I suggest that managers engage in a few distinct types of decision-making activity, which should be a central part of strategic management in any organisation. The first of these activities is endowing the organisation, and in doing so the core practices, with a unifying purpose and common values. I call this 'values articulation' work. Senior management needs to arrive at an organisational purpose that contributes to the good of the community at large. This relates to the idea of the 'good life'.

The good life is about purpose. Indeed, corporations have recently been asking these types of fundamental question – what is the purpose of our business? For example, are social media firms just platforms or are they also publishers? Do they merely connect people or do they publish content as well? How these questions are answered defines what an organisation construes as a good life in the context of their business. A social media platform may believe that its purpose is to connect people, and connectivity is the value it is providing, for example.

Defining a purpose raises the question of how the organisation goes about meeting that purpose successfully. It necessarily involves certain values and in demonstrating those values and behaviours, to be embedded in the various practices that help deliver that purpose. Such values and associated behaviours might include, for example, being open and honest with customers, being reliable and trustworthy, and taking care not to cause damage to local communities.

While these values may not be explicitly articulated, (although they may be in a narrow





Doing the right thing means acting in a way that is conducive to the good life – both for the society at large and for the members of the organisation.



way for legal, regulatory and trade purposes, for example), individuals at all levels of the organisation should be aware and understand what they are. Insofar as values are internalised and practised by the members of an organisation, they develop into dispositions for action, namely virtues. When an organisation avows a purpose and makes a value commitment, creating value for a community, it forms a relationship with that community and the various stakeholders involved. But, over time, the needs of the community change, prompting further questions. For a provider of a social platform, for example, what personal information is it allowed to share with others? Should certain types of communication be filtered or censored?

The organisation needs to be self-aware since the various ways in which it currently creates value for external stakeholders may be at odds with the shifting interests of those same stakeholders. An ethically alert senior management can sense the changing shifts in public opinion, in customer requirements, in

legislation, in what people want broadly, and rearticulate the organisation's value and purpose and the behaviours required to deliver that purpose and when necessary.

HARNESSING THE COMPETITIVE INSTINCT

A second aspect of strategic management should concern capability development. This kind of activity involves putting in place whatever is required to consistently perform the coordinated tasks required to achieve the organisation's purpose. This will include, for example, identifying appropriate rules, structures and routines. It means developing internal capabilities, putting in place skills training that supports the values and behaviours required. It is not just the technical skills that are important but also a certain orientation to tasks and a particular disposition for action that help fulfil the organisation's overall goals. How should individuals do their job? How should they conduct themselves?

However, capability development may clash with a third type of essential activity, differentiation. Strategy critically includes differentiating one's organisation from others. It goes without saying that for an organisation to continue to be successful it must keep differentiating itself from its competitors. Using conventional strategy tools, senior managers analyse how the organisation can maintain a strategic competitive advantage by meeting changing stakeholder demands.

However, in order to do this, especially as this is a constant struggle, there will be inevitable disruption of the organisation's core prac-

tices. When core practices get carried away developing their own internal capabilities or self-interests, they risk losing sight of the organisation's purpose and jeopardising competitive success. At the same time, an organisation driven only by competitive instincts risks compromising the behaviours and attitudes that drive excellence in its core practices.

To put it differently, an overly inward looking organisation risks losing sight of what is acceptable more broadly in the external world, and vice versa. A critical task for managers in their strategy work, therefore, is balancing different interests – balancing, on the one hand, the drive to keep differentiating the organisation to remain competitive and, on the other, the demands of external stakeholders. And also, balancing the pursuit of excellence internally with the choice and development of internal capabilities. It is a difficult balancing act that requires good judgement and practical wisdom. The best strategic managers are those that are reflective, aware of the key activities outlined above, the way they interact, and the desired outcomes.

Managers must also outline the broader context within which core practices unfold, defining and disseminating the organisation's values. Further down the managerial hierarchy, closer to the core practices, practitioners benefit both from the wisdom of and interaction with their managers, as well as their colleagues, by which they are able to understand and develop the skills and behaviours required for the practice to perform well.

It is by mastering the act of balancing excellence with success – balancing the development of capabilities with the need for competitive advantage – in the service of an overall organisational practice that strategic managers make a value proposition to society. Doing the right thing does not mean narrowly securing the financial interest of the organisation, but acting in a way that is conducive to the good life – both for the society at large and for the members of the organisation in particular.



KEY TAKE AWAYS

A COMMON CAUSE OF CORPORATE IRRESPONSIBILITY ARE THE COMPETING PRESSURES A COMPANY FACES: THE PURSUIT OF EMPLOYEE EXCELLENCE, COMPETITIVE ADVANTAGE AND SUCCESS, AND THE DEMANDS OF EXTERNAL STAKEHOLDERS AND SOCIETY.

ARISTOTLE PROVIDES A BASIS FOR ETHICAL BEHAVIOUR: A GOOD OR FULFILLED LIFE IS ONE THAT FOSTERS THE CULTIVATION OF VIRTUES.

TO HAVE A VIRTUE IS TO STRIVE TO EXCEL AT SOMETHING, AND THERE IS A MORAL DIMENSION TO THIS, AS IT INVOLVES, FOR EXAMPLE, HUMILITY AND HARD WORK.

PRACTITIONERS NEED VIRTUES IN ORDER TO DO THEIR JOBS WELL - VIRTUES SUCH AS HONESTY, DILIGENCE, TEMPERANCE AND FORTITUDE.

SENIOR MANAGEMENT NEEDS TO ARRIVE AT AN ORGANISATIONAL PURPOSE THAT CONTRIBUTES TO THE GOOD OF THE COMMUNITY AT LARGE. THIS RELATES TO THE IDEA OF THE 'GOOD LIFE'.

THE ORGANISATION NEEDS TO BE SELF-AWARE SINCE THE VARIOUS WAYS IN WHICH IT CURRENTLY CREATES VALUE FOR EXTERNAL STAKEHOLDERS MAY BE AT ODDS WITH THE SHIFTING INTERESTS OF THOSE SAME STAKEHOLDERS.

AN OVERLY INWARD LOOKING ORGANISATION RISKS LOSING SIGHT OF WHAT IS ACCEPTABLE IN THE EXTERNAL WORLD, AND VICE VERSA, AND A CRITICAL TASK FOR MANAGERS IN THEIR STRATEGY WORK IS BALANCING DIFFERENT INTERESTS.

DOING THE RIGHT THING MEANS ACTING IN A WAY THAT IS CONDUCIVE TO THE GOOD LIFE - BOTH FOR THE SOCIETY AT LARGE AND FOR THE MEMBERS OF THE ORGANISATION IN PARTICULAR.



Hari Tsoukas

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THE BROWN COMPANY'S ECO-GUIDE TO GREENWASHING

“

The benefits of being a green company, such as becoming more attractive for workers and investors cannot be fully reaped by greenwashers.

”

Joyce Sano, FGV-EAESP runner-up in the 2020 CSR article competition, takes a caustic look – not without a twist of provocative humour – at greenwashing and how companies can or cannot get away with it.

ARE YOU TIRED of your customers constantly nagging for more “environmentally friendly products”? Those silly boycott threats? What about the tree-loving, hippie-dippie, third-eye-open, avocado-toast “woke” barefooted youths throwing rocks at your tinted windows? Me too.

This is a complete guide for the savvy entrepreneur who is looking for a quick and

easy solution to conform to this green trend – without compromising well established processes nor incurring unnecessary costs in big changes. This clever solution even has a technical term: greenwashing. It literally means that you take what you already have and simply dip it in green paint. Well, no, not literally. Well, actually, I admit that's a big part of it (Have you seen the Coca-Cola Stevia can, or the Bic EcoLutions BioPlastic

razors, or even the infamous Huggies Pure & Natural?).

Fine, if you're so serious about this, I'll give you a serious definition. Greenwashing is “(Verb) Misleading publicity or propaganda disseminated by an organization, etc., so as to present an environmentally responsible public image.”

Harsh! This is copy-pasted from the Oxford English Dictionary; it doesn't get more official than this. Another, more elegant interpretation for greenwashing is undue positive communication of a firm's environmental performance (Delmas & Burbano, 2011). Anyway, it's making us look like the bad guys here. Allow me to refute this beyond any doubt: my therapist says I am not a bad person, and neither are you. Yes, we talk about you. If you don't have a therapist yet, you can take 2 minutes each morning to look at the mirror and convince yourself that you're a great guy, but it doesn't feel quite as real as when you pay someone \$50/hour to do it for you.

"But, but, Ms. Author, does greenwashing truly work? Do people really buy it? What if someone finds out?" How dare you. Look into my eyes. It is nigh punishable by law for any article on this subject NOT to point out that by 2009 over 75% of S&P companies had a "Sustainability Page" on their websites, where they made their social and environmental conduct known to the public; or that simultaneously, 98% of the allegedly green products had been found guilty of one of the Seven Sins of Greenwashing detected by Terrachoice. Keep gazing into those black, lifeless depths. If it wasn't good for business, then why does every successful company do it? Now, that's a bulletproof argument. Does hesitation still make you touch your forehead, turn your face away from that green, green cash? Then keep on reading.

THIS SUBTITLE IS GMO FREE!

Oh, naughty! You want to be convinced that bad, huh?

So, the benefits of greenwashing. It's not all about aggregating value to an underwhelming product, you know. The image of a caring, conscious company helps to retain employees and makes you an attractive employer. Green funds are also growing in leaps: according to Bloomberg, as of June 2018 they amounted to US\$ 30,7 trillion – exactly a third of the assets being monitored around the world by the Global Sustainable Investment Alliance (GSIA), and 34% more than it was just 2 years prior. This is not out of the sheer goodness of the investors. Sustainable companies have steadier cash flows, which supports growth, and provides a safety net in hard times. The



standard for the GSIA is not even that high, and a fund can be considered green by adopting the most basic sustainability strategy of refraining from investment in the Four Uglies: tobacco, alcohol, oils and weapons. Most of the green funds are accumulated in this strategy, so if you're none of those you might stand a chance. If your company is brown and still an inexperienced greenwasher, you can also differentiate yourself by searching "environment + social + governance + rules", or simply ESG, and peppering the results throughout your company website over pictures of the Amazonian jungle, like the perfect seasoning for overcooked chicken breast.

There are increasingly demanding investment criteria: stimulating shareholder and corporate board participation, implementation of recognized norms, being the best in quality, being sustainability-focused, and impact-based or community oriented. Those are some great words to throw around, if you're tired of Bio-this, Eco-that, but now you have to back them up.

I briefly mentioned the 7 Sins of Greenwashing, coyly not explaining them to keep you interested, but now I shall lift the veil if you haven't googled them already. They are (1) Hidden trade-off: a product has some positive environmental characteristics, and many concealed negative ones (see the carbon emission of electric car manufacturing); (2) No proof: the environmental allegation is not backed up by valid public data; (3) Vagueness: employment of expressions with no explicit definition – avocado is all-natural, so is mercury; (4) Irrelevance: claim is fact-based, but not at all a differential; (5) Lesser of two evils: competing to be perceived as the green brand in an overall unsustainable sector (check out my

gun— it's got lead-free bullets!); (6) Fibbing: just straight-up lying (see the infamous Volkswagen scandal), and (7) Worshipping false labels: fabricating a certificate or third-party commendation (see the Johnson & Johnson scandal—not as much fabrication as lack of transparency, but still).

My point is, they're onto us. Our strategies, the words we say, the ones we don't, and all the marketing expenditures. If you catch a suitor's eye, prepare to be scrutinized.

CRIME & PUNISHMENT

What is the risk of getting caught green-handed? Gone are the good old days of the Industrial Revolution when companies could employ child labor and emit carbon to their heart's content. Now, organizations such as CorpWatch, NGOs, investors, buyers and the whole Scooby-Doo gang are dead-set on busting us for any claim we make.

Having your greenwashing operation exposed can lead to the following, increasingly aggravating scenarios:

- a) Unbearable shame: at least you don't feel dirty anymore;
- b) Product loses market: this happens mostly for greenwashing directed towards the final consumer. A study in the behavior of clients of Brazilian supermarkets found that after becoming conscious of a product's greenwashing they let risk and confusion affect their decisions, whereas previously those factors were ignored in lieu of good feelings toward the product. As a result, they might decide against a repeat purchase (Braga Júnior, et al. 2019);



lobbying. If you sell commodities like Volkswagen and Shell, you took a heavy, but not deadly blow. How lucky for you guys, shame all those people died.

And finally... become sustainable. Think about it — someone's little fingers are chipping away at the greenwash, just salivating for that patch of brown and to run and tattle on their blogs, and what do they find underneath? Green! It's genius. Here's what you do: greenwash a little, maybe on your website. Then, commit to the farce. Become the role. Invest in innovative solutions. Implement community programs. Treat your employees well and pay them fairly. Engage your collaborators and listen to their needs. Understand the entirety of your supply chain and accept no infringement of regulation, legal or self-imposed. Publish sustainability reports, even if the numbers are not so good. They will never know that deep, deep in your essence, you're a dirty greenwasher.

THE GRASS IS GREENER ON THE INSIDE

Well, does greenwashing pay? It depends. A lot of companies do it as an embellishment of their product, we see no grave consequence as we have heard of graver sins. Sticking to greenwashing only in the package is safer, and may sell a lot at first, but once greenwash is brought to light, product death is quicker.

The benefits of being a green company, such as becoming more attractive for workers and investors cannot be fully reaped

c) Boycott: when the consequence of unsustainable practices is so outrageously bad that the people protest by unconditionally refusing to buy a product. Shell, even if the higher-ups were not aware of it at the time, was responsible for the wrongful trial and execution of peaceful activist Ken Saro-Wiwa, who spoke against their pollution and exploration in Nigeria. What followed was a wave of boycotts, a movement which even if it lost its force, continues now years after Shell's attempt to show reformation, and present itself as a renewable energy company, without changing anything in Nigerian operations. And finally,

d) Lawsuit: this is much more probable if your sin is fibbing. Dieselgate was the falsification of 11 million car motors' emission test results by Volkswagen. A study goes as far as relating 5,000 deaths just in Europe to the uncontrolled pollution. Cue mass legal action, deep-diving stock prices, and kissing €30 billion goodbye.

to greenwash, restrict it to your packaging. The effect, as you all saw, is some disappointment from the customer — who really should have known better, right? Who hasn't been lied to? — and the eventual fading out of your product from the shelves. This has been posed as an inevitable fate. Since this study was done for supermarket clients, and thus referred mostly to consumer goods, an interesting question to ask yourself is what is the packaging of a service, or the packaging of a company, and how are they greenwashed in turn? But the answers seem to veer too close towards fibbing territory to be safe.

Another alternative is, be big. Then you can become a lobbyist. Publish ads about reducing carbon emission, but by all means vote against tighter regulations. Yeah, I hate politics too. Anyway, chances are that if you're big enough, you're already greenwashing at some level, and have already considered

HOW TO GET AWAY WITH MURDER

Shell didn't get away with it. Seems like punishment is inevitable, given the tenacious examination you're put through once you paint yourself green. The harsh, organized response of consumers, that — who'd say? — actually care about the world we live in, is also nothing to sneeze at. Nonetheless Shell also kind of did get away with it. How?

The afore-mentioned consumer behavior study in Brazil makes an interesting recommendation in its conclusion: if you are going



by greenwashers. The fact of the matter is, once a company makes any declaration on their environmental performance, they are as good as stuck to their word. Corp watchers, NGOs, and investors will dig deep. The company will either succumb disgracefully under investigation, or be elevated in righteousness by it. It does not decide its own fate after its decision to deceive or be truthful.

Unless... it rises to its own challenge. Greenwashing could be the announcement of a goal, and ensuring that your company is evaluated accordingly. When you're stuck between a rock and a hard place, between demanding customers, important investors, third-party investigators, your workers – know that this was your own doing, and be deserving of such high expectations. You exist to help people, after all.



Joyce Sano

KEY TAKE AWAYS

THE BENEFITS OF BEING A GREEN COMPANY ARE BECOMING MORE COVETABLE, BUT THEY ARE NOT EASILY REAPED.

NOT ONLY CLIENTS, INVESTORS, NGOS AND THE COMPANY'S OWN WORKERS WILL TAKE UPON THEMSELVES THE TASK OF SCRUTINIZING THE COMPANY'S CLAIMS AND DEMANDING CHANGE WHERE THEY FIND IT LACKING.

THE CONSEQUENCES OF GREENWASHING RANGE FROM ACCELERATED PRODUCT DEATH, TO BOYCOTTS, TO LEGAL ACTION.

ONCE AN ENVIRONMENTAL PERFORMANCE STATEMENT HAS BEEN MADE, THE COMPANY'S ONLY SAFE OPTION IS TO FULFILL IT.



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YOI-SHIGOTO: LESSONS IN CSR



Prof **Yingyan Wang** of **Keio University**, Japan, offers fresh insights from the Japanese concept of *Yoi-Shigoto* on how firms can leverage their organisational structures to foster a CSR-oriented attitude among their employees.

From the paper Commitment to sustainable development: Exploring the factors affecting employee attitudes towards corporate social responsibility-oriented management, Wiley. With kind acknowledgements to Prof. Hirokazu Kono, Keio Business School, and Prof. Yingyan Wang, Keio University.

AND JUST AS WELL, for there is nary a business today that can afford to skirt the issue and still hope to make it big – and stay there. From leading luxury houses producing goods of basic hygiene, to social entrepreneurship firms focused on the idea of the triple bot-

tom line—people, planet, and profit—social media is rife with eulogies of the sustainable kind. Yet, at the other end of the spectrum, this platform of the 21st century also provides for fiery discussions and ugly debates at the slightest hint of corporate malfeasance. And

perhaps rightly so, for there is increasing acceptance of the fact that corporations have a duty not only to their shareholders, but also to other actors whom they engage with—employees, suppliers, governments, and civil society to name a few.



potentially come from varied backgrounds and consequently have diverse experiences—may be as different as chalk and cheese.

In what can be considered a tribute to Maslow—the American psychologist who created the eponymous hierarchy of needs that tries to explain human goals—is the fact that involvement in CSR research is driven out of a yen to satiate these needs.

As such, by examining the ways in which employees identify with and engage in their companies' CSR missions—those that showcase corporate commitments to CSR as an extension of their core business—and understanding the dynamics of organisational hierarchies in a 73-year-old Japanese Fortune Global 500 company, Prof. Wang shines the light on how firms can set the ball rolling on motivating employees towards CSR and cement their—and consequently the firm's—commitment to sustainable development.

In doing so, the study draws attention to a quintessential trait that one might associate with the Land of the Rising Sun: Quality. This hallmark of Japanese management was appropriately summed up in the formal mission of the company—'strive to contribute to the creation of a future where the aspirations of the people can be fulfilled.' This is where *Yoi-Shigoto*—meaning high quality work—is most relevant. It refers to work that is not only beneficial to society but also useful and valuable for customers and partners—all this while also proving to be a worthwhile challenge. In short, *Yoi-Shigoto* is a manifestation of Corporate Social Responsibility.

Developing such a progressive-looking view is important for it provides a source of competitive advantage, with such increasingly common practices as customers looking for ways to buy ethically, investors considering not only the personal profitability of their financing but also the environmental, societal, and governance (ESG) impact of their fiduciaries' decisions.

UNDER THE SCANNER

Until about the last decade however, researchers typically focused on a bird's-eye view of CSR, rather than go into the nitty gritty by putting organisations under a microscope to examine them on an individual level. As such, these studies showed that the perception of CSR by the employees—considered by far the most valuable asset of an organisation—played a key factor in determining organisational commitment, employee satis-

faction and loyalty, perceived organisational support, and organisational pride.

Yet, organisations have failed to leverage CSR properly in order to engage with their employees, without whom such practices will meet with little success, for it is ultimately the employees who pitch in their time and effort to meet these organisational goals. Moreover, this could largely stem from the fact that organisations don't know how to inculcate a pro-CSR attitude among their employees.

WE THE PEOPLE

Existing research suggests that these employees can be grouped into three types—committed, indifferent, and dissident—on the basis of their attitude to CSR. This does not seem surprising. Not even identical twins are equally alike. As such, it stands to reason that employees—who



WITH GREAT POWER COMES GREAT RESPONSIBILITY

Prof. Wang's work analysed data from a diverse pool of more than 800 employees to study various factors that form the environment in which the employees work. As such, the study focuses on hierarchical position, the distance that arises out of this corporate ladder, and what sort of support the employees perceived to be getting to achieve CSR goals.

The seniority of an executive symbolises the authority and resources placed at their disposal. In this light, it can affect the value of ownership they have towards the work that they do. Theory also posits that people try to associate themselves with groups that enhance their feeling of prestige. Given how responsible organisational behaviour provides a competitive advantage to firms—and consequently such benefits as increased employee motivation, cost savings, and customer loyalty—senior management, who are in a better position to understand and appreciate these advantages are more naturally inclined towards identifying and engaging with their firm's CSR-oriented mission than their fellow junior colleagues.

This is not to say that junior employees are not responsible towards their firms' responsible commitments. They just express it differently. It is hard to challenge the status quo. As such, they have a reasonably strong incentive to associate themselves with their superiors who act as role-models and, as seen above, are more oriented towards CSR. Additionally, a sense of such an association to the seniors' group can magnify feelings of self-concept—the idea that allows a person to answer the crucial question of 'Who am I?' On the contrary, it does not make a dent in the seniors' armour, for they are accustomed to working with people at different



rungs of the organisational ladder and are, regardless, expected to be highly committed to the company's CSR paradigm.

Completing this trio is whether the rank-and-file perceives the management as walking the talk in valuing employee contribution towards organisational goals. It is also about whether the powers that be throw their weight behind the employees to kindle a desire in them to boost their efforts. This stems from the understanding that successful leadership is about being a guiding light for the entire organisation. To this end, frequent and high-quality exchanges between the senior and junior employees will precipitate positive reciprocity from the juniors as regards engaging in socially motivated behaviour. As such, employees take on positive opinions about the firm.

SALVATION LIES WITHIN

So, how can firms build their version of *Yoi-Shigoto*? For starters, they could take a leaf out of Japan's book. Given that Japanese society is highly collective, firms operating in societies that prize individualism could try to adapt such a model to suit their own needs. And promote shared socially motivated attitudes and behaviour.

Higher management also needs to lead from the front and act as role models in the workplace. A good example of such stewardship comes from India and Ratan Tata, who pledged about USD 65 million from the Tata Trusts in the fight against COVID-19. Following this, Tata Sons, of which Mr Tata is Chairman Emeritus, pledged double the amount. Continuing along these lines, it is also imperative that a culture of support

exist in a company when junior employees wish to undertake CSR goals. This could include supporting employees wishing to take time off of working hours and engaging themselves in the company's CSR mission or simply recognising employee goodwill initiatives internally and/or externally, such as on social media handles.

Moreover, there is a need for effective interaction between junior and senior members of the organigram. To reach this aim, firms need to bridge the gap between the identification of CSR opportunities and engaging with them. While the former may exist in regions where the firm has area offices—where working for a large responsible firm could give a person a higher social status, and thus the motivation to engage in such activity—lack of support from HQ might not allow this drive to be carried out.

As such, modern corporations—already taking into consideration factors such as environment, gender, race, ethnicity, and access to opportunity in both their internal dealings and community outreach programmes—have to introspect to see what sort of changes they must make in order for their commitments to reach their full potential and provide them with long-term success – the *Yoi-Shigoto* way.

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Yoi-Shigoto is a manifestation of Corporate Social Responsibility.

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KEY TAKE AWAYS

STUDIES SHOWED THAT THE PERCEPTION OF CSR BY THE EMPLOYEES—CONSIDERED BY FAR THE MOST VALUABLE ASSET OF AN ORGANISATION—PLAYED A KEY FACTOR IN DETERMINING ORGANISATIONAL COMMITMENT, EMPLOYEE SATISFACTION AND LOYALTY, PERCEIVED ORGANISATIONAL SUPPORT, AND ORGANISATIONAL PRIDE

EXISTING RESEARCH SUGGESTS THAT THESE EMPLOYEES CAN BE GROUPED INTO THREE TYPES—COMMITTED, INDIFFERENT, AND DISSIDENT—ON THE BASIS OF THEIR ATTITUDE TO CSR

YOI-SHIGOTO REFERS TO WORK THAT IS NOT ONLY BENEFICIAL TO SOCIETY BUT ALSO USEFUL AND VALUABLE FOR CUSTOMERS AND PARTNERS—ALL THIS WHILE ALSO PROVING TO BE A WORTHWHILE CHALLENGE. IN SHORT, YOI-SHIGOTO IS A MANIFESTATION OF CSR

HIGHER MANAGEMENT ALSO NEEDS TO LEAD FROM THE FRONT AND ACT AS ROLE MODELS IN THE WORKPLACE

JUNIOR EMPLOYEES EXPRESS COMMITMENT TOWARDS THEIR FIRM'S RESPONSIBLE COMMITMENTS DIFFERENTLY

FREQUENT AND HIGH-QUALITY EXCHANGES BETWEEN THE SENIOR AND JUNIOR EMPLOYEES WILL PRECIPITATE POSITIVE RECIPROCITY FROM THE JUNIORS AS REGARDS ENGAGING IN SOCIALLY MOTIVATED BEHAVIOUR.

FIRMS OPERATING IN SOCIETIES THAT PRIZE INDIVIDUALISM COULD TRY TO ADAPT A COLLECTIVISTIC MODEL TO SUIT THEIR OWN NEEDS AND THUS PROMOTE SHARED SOCIALLY MOTIVATED ATTITUDES AND BEHAVIOUR.

THERE IS A NEED TO BRIDGE THE GAP BETWEEN THE IDENTIFICATION OF CSR OPPORTUNITIES AND ENGAGING WITH THEM.



Yingyan Wang

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GREENWASHING: FOOL ME NO MORE!



Aïda El Kohen of **ESSEC Business School** challenges greenwashing and uses the marketing, technological and consumer dimensions as a way towards truly greener behaviour and shared benefit

I HAVE BEEN GOING to the same supermarket for 5 years now and have seen many changes from my newly organic Heinz Ketchup to the increasing number of green labels on food and cosmetics items. As the typical millennial, I am not only attracted to healthier products but I am also more skeptical about how natural they claim to be. My doubts were actually confirmed when I downloaded the Yuka app on my smartphone. At first, I found it entertaining to scan

food and personal care products to decipher their ingredients. We can all agree that unless you have a PhD in Chemistry, it would be difficult to know the effect of *ammonium polyacryloyldimethyl taurate* on your skin. Later on, this app made me realize a bigger issue: I have been fooled for years. Fooled by these vague and “green” marketing campaigns worshiping false labels or showing no proof through a reliable third-party certification. In 2010, Terrachoice, a Canadian-based

environmental marketing agency, chose 4,744 so-called green products and found out that 95% of them were guilty of at least one sin of greenwashing.

GREENWASHING: A MASK COVERING UP UNSUSTAINABLE CORPORATE AGENDAS AND POLICIES

Greenwashing refers to activities by a company or an organization that are intended to make people think that it is concerned about the environment, even if its real business actually harms the environment. As Karliner Joshua claims, greenwashing is a “mask” to cover up unsustainable corporate

agendas and policies. Although these practices have always existed, this term was first introduced in 1986 by New York environmentalist Jay Westervelt. Today, greenwashing has taken a more sophisticated form as the consumer demand for green products grows.

According to the Furrera sustainability report, 93% percent of global consumers want to see more of the brands they use support worthy social or environmental issues. Nielsen also conducted a study in which commitment to the environment has the power to change the behavior purchase of 45% of consumers surveyed. With consumer becoming more and more conscious, greenwashed companies spend more on marketing and PR campaigns than on research and development to actually lower their environmental impact. Given the willingness to pay premium for healthier products, companies can not only increase their profit but also improve their brand image. However, do companies benefit from these greenwashing campaigns in the long term? How does it affect the consumer behavior of millennials? And are there regu-

lations in place to control greenwashing? This article will attempt to answer the question of whether greenwashing pays or not.

While greenwashing might have paid in the past as shown by companies’ increased profits, it is not the case anymore. Consumers have more access to information through technology and social media. They cannot be fooled by green labels or a change in the name and logo of the company. In the future, greenwashing will hurt a company even more as it tarnishes its brand image and sparks consumer mistrust. In some countries like Australia and the USA, the legal apparel is becoming more robust to punish greenwashed marketing campaigns.

A SAVVY CONSUMER WITH ACCESS TO TECHNOLOGY AND SOCIAL MEDIA

In this digital era, consumers have more power to make informed decisions about their purchases. They are connected and are able to look for information instantaneously. The effect of greenwashing is thus limited thanks to two technological tools. First, mobile apps allow for more traceability and transparency of products. Second, social media has democratized the sharing of detrimental information on a company.

YUKA: AN APP THAT EMPOWERS THE CONSUMER AND PUSHES THE FMCG INDUSTRY TO CHANGE

Access to information via mobile apps or websites has changed companies marketing tactics and even pushed them to change the ingredients of certain products. Cynicism and mistrust towards certain brands or companies are now expressed and justified amongst Yuka users. The app counts more than 12 million of them who can evaluate the quality of their food and check the quality of their cosmetics in the blink of an eye. Yuka is free and gives access to scores and recommendations for each product scanned. FMCG leaders have already reacted to the success of Yuka by removing preservatives. For example, Knorr, the German food and beverage brand owned by the company Unilever, has recently developed a new recipe for its soups. What is particularly striking about this example is their TV commercial mentioning the Yuka score of its new organic soup. As such, the ad shows the extent to which the food and beverage industry is changing because it can no longer claim that its products are natural, healthy and organic without a real commitment.

TWITTER USED A TOOL TO REGAIN CONSUMER TRUST

Additionally, through the democratization of the public opinion on social media, consumers can either revamp or destroy a brand image. The power dynamic has changed and consumers cannot be fooled anymore. Knorr’s competitor, Liebig has ironically taken advantage of tweets that constantly criticize its soups for being too salty and too fatty. Two bold marketing campaigns were launched showing that



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the company has improved thanks to harsh criticism on Twitter. The first ad campaign called *"merci d'avoir fait grandir nos soupes"* thanks its customers for helping Liebig improve the quality of its products. The ad portrays people complaining about the saltiness of the soup or questioning the list of preservatives (E450 and E451). The second move by Liebig was the launch of its PR "eat your tweet" campaign. After selecting a hundred journalists, influencers and regular Twitter users, Liebig sent them

a box with a printed copy of their harsh tweets as well as their new 100% natural ingredients soup. Each tweet was also turned into alphabet pasta so that the Twitter critic could "eat his or her tweet" and realize that the recipe had changed into a healthier and tastier soup. This example proves that through the Knorr TV Ad showing its Yuka score, social media has the power to counter greenwashed claims of companies like Liebig. Using green packaging and fresh vegetables to make the consumer think that its products are healthy is no longer enough.

A STRONGER LEGISLATION TO ERADICATE GREENWASHING MARKETING

Greenwashing does not pay anymore because an increasing number of regulations have been put in place in Western countries to punish companies that provide misleading environmental claims. A pioneer country in this field is Australia. The Australian Competition & Consumer Commission published a guide called Green Marketing and the Australian Consumer Law which educates businesses about their obligations regarding environmental claims. Its underlying objective is to eradicate greenwashing marketing campaigns by improving the accuracy and strength of their green marketing regarding labelling, packaging and advertising. In the US, companies that do not respect the laws of honest green marketing are also punished. Walmart paid a USD 1-million settlement deal because of its misleading labels claiming that plastic products were biodegradable. Once exposed, these corporations not only suffer from lower consumer confidence but they also serve as examples to other companies that might attempt to use the same techniques.

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Consumers are starting to consider sustainable practices a basic cost of entry, rather than a market differentiator
”

In conclusion, thanks to apps providing traceability and transparency, the consumer has the privilege to not only fact check marketing claims made by the company but also share their customer experience. Both the importance of consumer opinion on social media and the increasing number of legislations put in place to regulate honest green marketing leave little room for companies to diffuse greenwashing campaigns.

PATAGONIA, THE LEADER FOR HONEST MARKETING AND ANTI-CONSUMERISM

On the opposite of companies that lie about their environmental prowess, Patagonia is a transparent

company that does not sugarcoat its facts. They clearly state on their website that their business activity – from lighting stores to dyeing shirts – creates pollution as a by-product. Their anti-consumerist and pro-environment mindset was mostly reflected on their Black Friday

marketing campaign: "Don't buy this jacket". This bold, risky and shocking move made its consumers appreciate the brand's mission and values even more, impacting positively its sales and brand image. Let's just hope that Patagonia will be able to start a movement and spread its environmental efforts to bigger fast-fashion brands.

Having an honest green marketing strategy can also have other benefits as it attracts top talents, investors and partners who are increasingly looking at companies with a strong CSR policy. The certification B Corp which highlights businesses that balance purpose and profit is gaining more and more traction worldwide. PR is not enough as companies will have to back up their arguments with a credible and authentic approach. As Grace Faraj, senior vice president of Public Development & Sustainability at Nielsen best puts it: "Consumers are starting to consider sustainable practices a basic cost of entry, rather than a market differentiator. Going forward, brands have to define a credible, relevant social purpose, deliver greater social value, and communicate that value effectively to attract and retain consumers."

STEPS FORWARD TO COUNTER GREENWASHING

Looking at the future, a closer collaboration between marketing and R&D teams will ensure a more customer-centric and truthful strategy. While marketers know consumers' wants and needs, R&D teams will push for more ecologically sound products. Without fluffy language, companies will thus be held accountable for their sustainable campaigns. Secondly, the use of the blockchain tech-



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nology and the redesign of labels will respectively guarantee a better traceability and understanding of the ingredients – even without a PhD in Chemistry. These changes can authenticate food origin and improve brand credibility. Finally, given the increasing number of righteous companies with purpose, a greater international anti-greenwashing alliance would have to be created to call out untruthful companies. Replicating the Australian Green Marketing guide at an international level to create a larger code of conduct might lead to the final end of greenwashing marketing campaigns. As such, the increasing number of labels I've seen in my local supermarket over the past 5 years may well become a brighter, truer shade of green.



KEY TAKE AWAYS

GREENWASHING IS DEFINED AS A "MASK" TO COVER UP UNSUSTAINABLE CORPORATE AGENDAS AND POLICIES. IN 2010, TERRACHOICE FOUND THAT 95% OF A SAMPLE OF 4,744 SO-CALLED GREEN PRODUCTS WERE GUILTY OF AT LEAST ONE SIN OF GREENWASHING.

TODAY, CONSUMER BEHAVIOUR HAS CHANGED: 93% PERCENT OF GLOBAL CONSUMERS WANT TO SEE MORE OF THE BRANDS THEY USE SUPPORT WORTHY SOCIAL OR ENVIRONMENTAL ISSUES AND THE COMMITMENT TO THE ENVIRONMENT CHANGES THE BEHAVIOR PURCHASE OF 45% OF CONSUMERS SURVEYED.

CONSUMERS ARE STARTING TO CONSIDER SUSTAINABLE PRACTICES A BASIC COST OF ENTRY, RATHER THAN A MARKET DIFFERENTIATOR.

TODAY, THE EFFECT OF GREENWASHING IS LIMITED THANKS TO TWO TECHNOLOGICAL TOOLS: MOBILE APPS (EX: YUKA) THAT ALLOW FOR MORE TRACEABILITY AND TRANSPARENCY OF PRODUCTS AND SOCIAL MEDIA (EX: TWITTER) THAT HAS DEMOCRATIZED THE SHARING OF DETRIMENTAL INFORMATION ON A COMPANY.

AN INCREASING NUMBER OF REGULATIONS HAVE BEEN PUT IN PLACE IN WESTERN COUNTRIES TO PUNISH COMPANIES THAT PROVIDE MISLEADING ENVIRONMENTAL CLAIMS, WITH AUSTRALIA A PIONEER THROUGH ITS GREEN MARKETING AND THE AUSTRALIAN CONSUMER LAW GUIDE WHICH EDUCATES BUSINESSES ABOUT THEIR OBLIGATIONS REGARDING ENVIRONMENTAL CLAIMS.

CORPORATIONS GUILTY OF GREENWASHING NOT ONLY SUFFER FROM LOWER CONSUMER CONFIDENCE AND FINES BUT THEY ALSO SERVE AS EXAMPLES.

IN THE FUTURE, A CLOSER COLLABORATION BETWEEN CSR TEAMS, MARKETING AND R&D TEAMS MAY ENSURE A MORE CUSTOMER-CENTRIC AND TRUTHFUL STRATEGY.



Aïda El Kohen

FROM BEAN COUNTERS TO CHANGEMAKERS: HOW ACCOUNTING CAN SAVE THE WORLD



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Sofia Tziortzi, Warwick Business School winner of the CoBS 2020 CSR article competition, journeys into the world of accounting, CSR and sustainability to unlock the powerful potential of an unsung hero – the accountant.

IT HAS BEEN WIDELY argued that if one were to solve the grand challenges in the world, accounting would not be the way forward (Gray, 2010: 50). However, insights from academics, business practice and even His Royal Highness the Prince of Wales, suggest otherwise. In addition, applying accounting rationale to analyse businesses' responses to the current coronavirus pandemic can also reveal how accounting can save the world.

Businesses from the alcohol, cosmetics and even automotive industries are increasingly utilising their resources and expertise to provide much-needed hand sanitizers and antivirus gear. Consider the classic exercise of the firm faced with the short-term decision of accepting an order from a new customer at a lower price, that is featured in virtually all accounting textbooks. Solving the exercise requires a calculation of the contribution yielded by the order and a consideration of additional

factors like spare capacity. Equally, in this case, firms from the aforementioned industries have the required inputs for hand sanitizers and antivirus gear, the spare capacity, and possibly workers they wish to retain after the pandemic is over. Additionally, being a good Samaritan pays off. While corporate social responsibility is partly motivated by altruism, it is also motivated by improved reputation and brand image (Ditlev-Simonsen & Midttun, 2011; Graafland & Mazereeuw-Van der Duijijn



Schouten, 2012). In this case, there is another motivator: the sooner the pandemic is over, the sooner business as usual will resume. What these translate to is higher profit, the single accounting figure that businesses take pride in the most. While this interpretation of companies' response to the coronavirus may simply be my accounting knowledge playing tricks with me, accountants have devised more formal tools to respond to the world's problems, which do not stop here.

PEOPLE AND THE PLANET – HUMANITY'S GRANDEST CHALLENGES IN 2020

Health issues, like the Zika virus and Ebola, hunger, modern slavery, human trafficking, conflict and displacement, unemployment, poverty, corruption and income inequalities are a mere example of the wicked problems faced by the world today that are hidden under the shadow of COVID-19. Admittedly, accounting is complicit in some of these problems. By quantifying financial results and making profit emblematic of success and survival, accounting may often direct unethical or unsustainable behaviour, if it results in higher profitability. It is therefore no wonder that the ILO reported a figure of 152m children aged 5-17 years old in child labour in 2017, as it translates to a small cost on companies' statements of profit or loss. Equally, accounting is behind many large corporate collapses, such as Enron and more recently, Carillion, which have caused massive social consequences, like unemployment. Although the

term "bean counters" portrays accountants as being devoid of any creativity, as the IASB has suggested, accounting is "as much of an art as a science" (IFRS Foundation, 2015: 5), perhaps the most creative art of all.

Lastly, research conducted by the Global Footprint Network suggests that never have we been closest to our planetary boundaries than now. Carbon Dioxide emissions have risen by 60% between 1990 and 2016, according to data by the Global Footprint Network and research conducted at the Climate Accountability Institute suggests that one third of carbon emissions are directly related to the activities of just 20 fossil fuel firms.

In 2015 the United Nations set 17 Sustainable Development Goals, as part of the 2030 Agenda for Sustainable Development, that aim to tackle the grand challenges outlined above. As the UN 2030 Agenda suggests, sustainability is an urgent need if we are to preserve our planet for future generations and no one else plays a more pivotal role in achieving it than governments and corporations.

ACCOUNTING – THE MISSING PIECE OF THE PUZZLE?

In the 1990s, media and policy discussions revolved around environmental protection and sustainability as well as the role of accountants in these pursuits (Gray, 1990; Cooper, 1992). In 2004, His Royal Highness the Prince of Wales launched the Accounting for Sustain-

nability project (A4S), recognising the key role that accountants play in achieving sustainability. Why accountants though?

Achieving sustainability requires a realisation that corporations do not operate in a vacuum, but are part of a dynamic ecosystem whereby their actions directly affect the planet and people, while also shaping the future of both. As A4S and the ICAEW (2004) explain, in order to be aware of their impact on the wider ecosystem and devise plans in response to it, corporations need the vital input of accountants. Moreover, as investors and other stakeholders are becoming increasingly interested in issues of sustainability (Hartzmark & Sussman, 2019), accountants' expertise is required to report on the company's performance in this area. With professional judgement as its primary asset (Wagner, 1965), the accounting profession trains agile practitioners who can quickly respond to changing trends and challenges, without the quest towards sustainability being an exception.

SAVING THE WORLD ONE STEP AT A TIME: MEASUREMENT, REPORTING AND ASSURANCE

According to the ICAEW (2004), accountants have 3 critical roles in promoting sustainability: measuring related items, reporting them and providing assurance to stakeholders as regards these metrics. These duties generally fall under the terms "social and environmental reporting" and "sustainability reporting". In essence, both terms convey an integration of the financial or economic sustainability of a company, with its social and environmental sustainability.

Sustainability reporting is voluntary and there is a plethora of practices for companies to choose from. Despite being voluntary, however, it is completed by the majority of multinationals and SMEs, to meet the information needs of their stakeholders. The proliferation of sustainability reporting among companies has also led to new types of accountants being born – environmental and social accountants – working alongside financial accountants.

Sustainability reporting encompasses a range of methods that utilise financial accounting techniques to provide a quantitative measure



of an entity's sustainability (Gray, 2010). An example is the "sustainable cost" calculation (Gray, 2010; Deegan & Unerman, 2011), the calculation being derived from the financial accounting concept of capital maintenance. This concept suggests that profit is the excess income after the company's capital has been maintained. Similarly, a sustainable organisation is one which maintains man-made, renewable and critical natural capital over an accounting period (Gray, 2010). The sustainable cost is then the amount that would need to be spent, based on the company's operations, to be sustainable (ibid.). This amount should be deducted from the company's profit to give a measure of "real profit" that takes into account the externalities produced by the company.

Another tool that has recently attracted corporate attention is the Environmental Profit and Loss (EP&L) account. This is a distinct document complementing the Statement of Profit or Loss. It subtracts figurative costs from revenues that reflect the company's effect on the environment, alongside financial costs and revenues, to arrive either at an environmental profit or loss (Arena, Conte & Melacini, 2014). A profit would suggest that environmental revenues, such as cost savings from implementing environmentally friendly processes exceed negative externalities to the environment by the company (ibid.). In 2011 Puma published its first EP&L alongside its annual report and has subsequently been followed by other companies, such as Kering Group, the parent company of several luxury fashion brands, like Gucci and YSL.

Apart from being used as a reporting tool, an EP&L can also serve management accounting functions, by providing information to mea-

sure environmental performance and inform decision-making to control a firm's impact on the environment. Arena, Conte and Melacini (2014) consider how the EP&L can be used as a metric for managerial performance and compensation, encouraging managers to make environmental-friendly decisions. Alternatively, a balanced scorecard is a management accounting tool that can be used to align sustainability with a company's overarching strategy and measure managerial performance (Figge et al., 2002).

Furthermore, Ratnatunga (2014) argues that management accounting can prove invaluable to both organisations but also governments, by "costing life" – meaning attaching quantitative costs to air pollution, water and food. For instance, in an organisational, or even governmental context, management accountants can calculate the cost of carbon emissions from current practices, in order to inform investment decisions in response to these costs. In addition, clean air and supply of water are both essential for companies to continue operating, at least in the foreseeable future, which is the assumption underpinning the going concern concept. Management accountants can calculate costs associated with the depletion of these natural supplies, such as loss of productivity. By doing such calculations, management accountants will not only provide information to steer corporate, but also government policy to promote sustainable development.

Moreover, as corporations are becoming increasingly engaged with the 17 UN SDGs, the accounting profession has united to help organisations integrate the SDGs in their strategies, measure their impact towards them and report their performance. Accounting researchers have engaged in SDG-related accounting research, while the Big Four are assisting companies to navigate the SDGs (PwC, 2016;

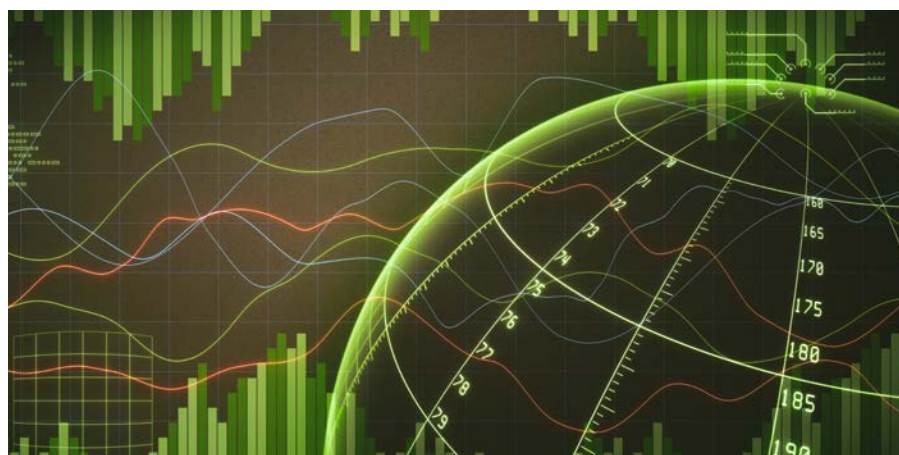
“It is therefore not a question, but rather a matter of time before accountants become synonymous with changemakers.”

Bebbington & Unerman, 2018).

Lastly, professional accountants can provide assurance on the sustainability reports prepared by companies by verifying them and issuing an independent report (ICAEW, 2004). For instance, the report on sustainability performance and metrics issued by Tiffany & Co, which operates in an industry with a controversial supply chain, in 2018, was audited by PwC.

REAL IMPROVEMENTS OR SIMPLY GREENWASHING?

A key limitation of any effort at sustainability reporting is that it is voluntary and as such, it is not regulated, unlike financial reporting (Deegan & Unerman, 2011). Several organisations and institutions like A4S and the Global Reporting Initiative (GRI), have sought to offer a solution to this by developing sets of guidelines for sustainability reporting. Nevertheless, with several alternatives from which to choose from, there is little consistency and hence comparability in the way firms report their performance in terms of sustainability. Added to this, the numbers included in the EP&L, as well as the sustainable cost rely heavily on judgement



and are often arbitrary. It is therefore difficult for stakeholders to compare companies in terms of how sustainable they are and make their relevant decisions.

Additionally, many of the tools outlined above, such as the EP&L and the computation of sustainable costs convey an environmentally-centred view of sustainability. Nevertheless, as the UN SDGs and Gray (2010) suggest, sustainability and sustainable development encompass much more than that. Furthermore, Gray and Milne (2002) have suggested that sustainability reporting follows the entity concept, since it considers sustainability through the lens of the reporting entity. But, as they point out, sustainability requires an aggregate consideration of economic activity and thus an individual company's efforts at becoming more sustainable are not particularly meaningful. This is already changing though as concepts like the circular economy and systems thinking are increasingly gaining popularity with companies, encouraging them to consider their footprints in both the upstream and downstream parts of their value chain.

In the end accounting for sustainability is not perfect, but it is a step in the right direction if the world is to be preserved for future generations. Accounting is all about accountability and accountability is not fully possible without accounting. Accountants provide the metrics that make organisations accountable for their environmental and social footprints and hence drive decision-making both by organisations and their stakeholders. What these formal mechanisms often overshadow, however, is the immense inherent power of accounting to stimulate corporate action, which has been extensively studied by critical accounting theorists. While this action may not always involve producing hand sanitizers to help stop the spread of a pandemic, it is in the hands of the profession to minimise the negative effects associated with accounting. The accounting profession has evolved, is evolving and will continue to evolve in the future. It is therefore not a question, but rather a matter of time before accountants become synonymous with changemakers and are widely recognised as the hidden forces behind the functioning not only of the capital markets, but also the whole world.



KEY TAKE AWAYS

IT HAS BEEN WIDELY ARGUED THAT IF ONE WERE TO SOLVE THE GRAND CHALLENGES IN THE WORLD, ACCOUNTING WOULD NOT BE THE WAY FORWARD (GRAY, 2010: 50). HOWEVER, INSIGHTS FROM ACADEMICS, BUSINESS PRACTICE AND HIS ROYAL HIGHNESS THE PRINCE OF WALES, MAY SUGGEST OTHERWISE.

ACHIEVING SUSTAINABILITY REQUIRES A REALISATION THAT CORPORATIONS DO NOT OPERATE IN A VACUUM, BUT ARE PART OF A DYNAMIC ECOSYSTEM, WHEREBY THEIR ACTIONS DIRECTLY AFFECT THE PLANET AND THE PEOPLE, WHILE ALSO SHAPING THE FUTURE OF BOTH.

WITH PROFESSIONAL JUDGEMENT AS ITS PRIMARY ASSET (WAGNER, 1965), THE ACCOUNTING PROFESSION TRAINS AGILE PRACTITIONERS WHO CAN QUICKLY RESPOND TO CHANGING TRENDS AND CHALLENGES, WITHOUT THE QUEST TOWARDS SUSTAINABILITY BEING AN EXCEPTION.

ACCOUNTING FOR SUSTAINABILITY IS NOT PERFECT, BUT IT IS A STEP IN THE RIGHT DIRECTION IF THE WORLD IS TO BE PRESERVED FOR FUTURE GENERATIONS.

ACCOUNTING IS ALL ABOUT ACCOUNTABILITY AND ACCOUNTABILITY IS NOT FULLY POSSIBLE WITHOUT ACCOUNTING.

WHAT THESE FORMAL MECHANISMS OFTEN OVERSHADOW HOWEVER, IS THE IMMENSE INHERENT POWER OF ACCOUNTING TO STIMULATE CORPORATE ACTION, WHICH HAS BEEN EXTENSIVELY STUDIED BY CRITICAL ACCOUNTING THEORISTS. WHILE THIS ACTION MAY NOT ALWAYS INVOLVE PRODUCING HAND SANITIZERS TO HELP STOP THE SPREAD OF A PANDEMIC, IT IS IN THE HANDS OF THE PROFESSION TO MINIMISE THE NEGATIVE EFFECTS ASSOCIATED WITH ACCOUNTING.



Sofia Tziortzi

THE SILENCING OF THE LAMBS V2.0/2020

“

The need of the hour is to provoke values such as empathy, kindness, and compassion.

”

Profs. **Mark Christensen** of **ESSEC Business School, Asia-Pacific** and **Geoffrey Lamberton** of **Southern Cross University** make a compelling argument for widening the economic lens to lift human morality and focus it towards a legal framework on the condition of the other animals with which we share this planet.

With kind acknowledgements to to Jacqui Sansonetti of [Animals Australia](#)

NEEDING A FRESH PERSPECTIVE

Any organisation, and by extension, industry needs to be profitable if it wants to survive.

As such, economic benefit is the first benchmark against which success can be quantifiably measured. Milton Friedman—the famous 20th century economist who advanced Shareholder Theory—would most certainly agree and

as long as such profits were accrued legally, this benchmark would be the only one worth considering.

While that may be good for Friedman, it is certainly not in line with another important approach—Stakeholder Theory—that puts forth the notion that in addition to legal economic pursuits, a firm also has to consider its ethical and philanthropic responsibilities. As such, ethical responsibility is what Prof. Christensen and co-researcher Dr Geoffrey Lamberton consider as the basis for taking into account when considering the Australian live sheep export (LSE) industry.



PACKED LIKE SHEEP

On the west coast of the land Down Under, it is common to spot more than 70,000 sheep being crammed into specifically designed ships—that have only half of a score of decks—bound for the Middle East. The ocean journey takes about a little under a month and is nothing short of what would be considered hell had there been people on-board instead of the sheep —poor lighting, loud mechanical noise, constant engine vibrations and ship movement, high temperatures and stocking densities. And as a result, outbreaks of disease.

The fact that live animal export trade is crucial to the livelihood of thousands of Australian families is the only reason that the Australian government allows the LSE industry to operate in the way it does – despite what is acceptable by today's social standards.

By stark contrast, Australia's neighbour—New Zealand—ended live export more than a decade ago. And it was because New Zealand felt that such trade put their reputation on the line. And because such a risk could result in major economic losses for them.

CYCLE OF APATHY

By the time the ships reach their destination, thousands of sheep meet their end in painful ways. This scandal sparks public outcry, to which the government reacts by condemning the event. But the government does not apportion blame and instead marks an enquiry. After the public outcry dies out, it's business as usual.

As a large industry, LSE research has produced data that suits its profitable goals. Since these goals can only be people-oriented, they fail to account animal welfare considerations. And these considerations are justification enough to put an end to the trade.

THE BUCK STOPS WITH THE SHEPHERD

While putting animal welfare at par with that of the people is taking things too far, there is concurrence on putting an end to unnecessary suffering. And it is the public who decides this. To this end, customers have a right to know what happens behind the scenes. And as such, they should be made aware of the pain inflicted just to please their stomachs and palettes.

This is further supported by the argument that as the dominant species of the planet, humans have a moral responsibility to protect the planet's flora and fauna, with some calling for a complete ban on commercial animal agriculture. Other views contrast this position. One of these is that animals are a renewable resource owned by humans, and it is this notion of animals being property that accounts for animal suffering. As such, it is necessary to balance these disparate schools of thought. And it is ultimately people who need to take charge of the flocks and reduce the suffering.

SHAKEN NOT STIRRED

These people come from different sections of society and will have a different impact on the LSE industry. As such, it is necessary that in order for the LSE industry to undergo a pro-ethical shift, a large majority of society has to be catalysed into action. To ensure that, a concrete action plan will replace the usual rhetoric—the apathetic scandal-response-obduracy cycle—that leads back to square one.

Subsequently, an end to this rut requires more innovative and compelling arguments—for protests against LSE, petitions to Parliament, extensive media coverage of scandals, and private members' bills have failed to make a dent.



One such compelling argument can be made by the on-board veterinarian. Such professionals are capable of performing their duties for the entire 70,000-strong flock of sheep. Yet, they can't. The physical environment is built to maximise economic profit, not provide access to each animal. As such, cost accounting fails to allow the veterinarian to accomplish their moral duty of relieving the animals of their pain.



SCHOLARLY ACTIVISM

The introduction of ethical accounting would catalyse social and political pressure – without being biased towards LSE. In turn, this pressure would shift the LSE industry towards better practices – for financial returns that the industry would otherwise gain could be eroded by regulatory change.

Change in such an unsustainable industry will take a lot of effort and mobilisation and consequently there is a great need for sheep welfare activists. However, the current activists—who have spent so much energy to oppose LSE—will need to make peace with the notion of ethical LSE. This is where accounting scholars pitch in with solid research—providing a constructive channel to the activists. And reaching a middle ground.

THE ROAD TO DELIVERANCE

It is indeed possible to turn the presently harsh Australian LSE industry into one that is ethical and sustainable. To this end, the traditional view of accounting would prove to be an ineffective tool and the need of the hour is to provoke values such as empathy, kindness, and compassion to motivate people to rise up and put an end to unnecessary animal suffering. Knowing how much an animal suffers is essential to reduce this. Consequently, companies looking to implement ethical accounting could include management practices that eliminate suffering in transit—for example, an increased number of on-board veterinarians, performance indicators relevant to animal welfare such as ambient temperature and humidity, photographic and video evidence of real-world conditions, narratives from expert witnesses, and improved record-keeping. In this way, both shareholders and stakeholders

would have a voice – and a human one at that to redeem the silence of the lambs.



KEY TAKE AWAYS

THE CURRENT ACCOUNTING SYSTEM FOR THE LSE INDUSTRY IS LIMITED TO ECONOMIC GOALS ALONE

THE NEED OF THE HOUR TO WIDEN THE PERSPECTIVE AND INCLUDE ETHICAL RESPONSIBILITY

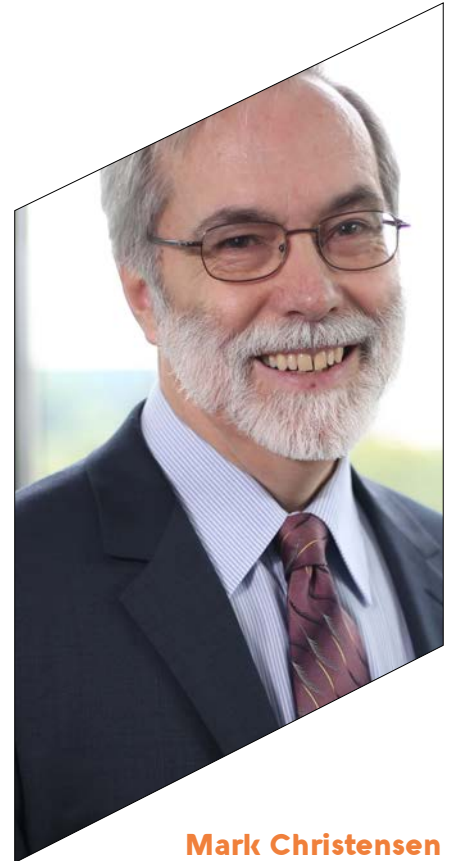
CURRENT EXPORTING ON-BOARD CONDITIONS ARE UNACCEPTABLE TO TODAY'S SOCIAL STANDARDS

WE MUST ELIMINATE UNNECESSARY SUFFERING OF ANIMALS ON BOARD SHIPS AND BUILD AN ENVIRONMENT CONDUCTIVE TO MORAL OBJECTIVES

THE SHIP'S VET'S OPINIONS MUST BE TAKEN INTO ACCOUNT AND ALTERNATE MANAGEMENT PRACTICES SHOULD BE IMPLEMENTED

A HOLISTIC PERFORMANCE INDICATOR-BASED MEASUREMENT SYSTEM CAN BE DEVELOPED

ABOVE ALL, WE MUST BEHAVE NATURALLY—EMOTIONALLY—LIKE HUMAN BEINGS AND SHOW EMPATHY FOR OUR FELLOW LIVING CREATURES.



Mark Christensen



Geoffrey Lamberton



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HOW CAN COMPANIES CONTRIBUTE TO DECREASING DOMESTIC VIOLENCE AGAINST WOMEN?



Shriya Chowdhury, MSc Management student and **Trinity Business School** winner of the CoBS 2020 student CSR article competition, writes a compelling argument for women's rights and what companies can do to help in the fight against violence to women.

WITNESSING A PERSONAL INCIDENT

IT WAS ONE FINE Saturday evening when a few of my friends had gathered to gossip about random things in our life. Leg pulling and laughter were a significant part of all our gatherings, but this time it was a bit scary. Our laughter was abruptly interrupted

by a bang on the door from the apartment above ours. It felt as if someone had been pushed deliberately against it. Then, an eerie silence! Following that, we heard a woman howling and crying. My friends and I stuck our ears to the window to understand what might have happened. This episode shook us up from the inside. We could hear a person in full rage slapping the women left

and right continuously while yelling "how dare you look at the other guy?" It didn't take us long to assess the whole scenario. We rushed to the security guard downstairs to call for help only to get the answer that it was in vain. Since then, he questioned the women although she denied getting hit by anyone. Why? Why on earth would anyone give the control of their life to someone



“Companies and organisations can play a crucial role in uplifting women: they can be game changer.”

who apparently seemed more powerful? Why could not she speak up or call the police? Why does she need to tolerate and not fight back? All these questions kept circling our minds.

This was one of the many incidents I have witnessed in my life. Ergo, I was drawn towards this idea of how organisations can play an imperative role in reducing domestic violence against women.

WOMEN IN 21ST CENTURY

This is the 21st century. A time in which men and women work together shoulder to shoulder and marching forward to achieve common goals of growth and prosperity of nations and the organisations they work with. From working in paddy fields to top corporate, women shine in all spheres of life. They are shining with their heads held high on the shoulders. They are homemakers as well as house makers. They can be seen both taking care of their children, helping them in solving mathematics homework problems and also handling client meetings and gathering requirements for billion dollar deals with top notch companies. On the list of CEOs Fortune 500 companies published in 2019, there were 33 women compared to 24 in 2018. Mary Barra of General Motors, Ginni Rometty of IBM, Safra A. Catz of Oracle are to name but a few. They are excelling in every field whether it is civil, aviation, space, farming, teaching and many others. But is this shine hiding a shadow be-

neath it? Let's see whether it does or not.

KATHERINE ANNE PORTER: "IT'S A MAN'S WORLD, AND YOU MEN CAN HAVE IT"

This single line tells the whole story. Like an iceberg that has different stories to show above and below the surface of the water, the same situation goes for women too. One side of the coin says that women are rising and other side has totally a different story. They are victims of frequent domestic violence. According to the British Crime Survey (2009) it was found that 7% of women face domestic violence. As claimed by an estimate in United states, there are almost 10 million registered cases of domestic violence. These are the reported ones and

millions more are not even registered owing to societal and family pressures. A study by the organisation Making the Links (Women's Aid, 1995) found that in Ireland, one out of every five women is abused by current or previous partners. And according to the Women's Aid Impact Report 2018, there were almost 17,000 cases of domestic violence against women across Ireland.

In addition, according to the EU Campaign Against Domestic Violence, 2000 around 25% of all reported violent crime involves men abusing their wives or live-in partners. Indeed, most of the victims of domestic violence are women who are dependent on their male counterpart for their livelihood: dependent women are victim most of the time because they are not the bread earners. And many of them have not received a high-enough level of education to register a complaint or dial a helpline.

Violence being the outbreak of emotions is combined with autocratic and dogmatic behaviour. These can be mitigated up to some level by organisations by implementing strategies and by engaging employees with different real time scenarios.

MEASURES THAT CAN BE TAKEN BY COMPANIES

Companies and organisations can play a crucial role in uplifting women: they can be game changer. Companies can conduct open awareness sessions where they can create a climate of comfort and openness, as we know that domestic violence can negatively affect the self-confidence of indi-



viduals. This can be done in group as well as one-to-one sessions. It is obvious that people who experience such kind of violence will face emotional, physical as well as financial issues. These type of traumata can also impact their physical wellbeing, studies showing that abused women are twice as likely to experience physical health conditions such as obesity, hypertension, heart related diseases, depression and many more. They should therefore be counselled with sensitivity, with workshops encouraging individuals to stand up for themselves and have the courage to talk about it in public so that ways can be found to help them legally.

Companies can also conduct workshops to educate the women on domestic violence. Having knowledge will increase awareness of abusive behaviour and the different ways in which this behaviour can manifest in relationships. An abusive relationship is created due to fear, intimidation and inability to express opinions safely. As such, women can be taught to be more empowered in their personal relationships and overcome these fears. The workshops should also coach women about their legal rights and an atmosphere of trust should be built with women employees so that companies provide their backing in cases of violence and full support with the legal aspects.

Most domestic violence takes place because men feel they are more powerful and hence can dominate their female counterparts. A strong way to break this mindset is by providing self defence training to the women. This will not only help women to defend themselves but also give men a clear awareness, perhaps indeed fear, of the equal strength and capacities of women. Ultimately, such training would act as a deterrent. Companies should take a holistic approach and should not only stick to their own employees but should run campaigns for other, non-working women. For example, campaigns and training camps could be run in rural areas where many women do not have access to jobs. This will not only improve the brand image of the organisation but it will help create a safer society where women can raise their voices without fear.

Above all it is necessary to instil in the minds of all individuals a growth mindset where they treat everyone equally whether male or female. As such, sessions should be conducted for all males in which they are

educated about the importance of women in their lives and how they should be treated with respect. On a personal level, I have talked to people who are addicted to violence and, from this experience, I believe counselling should be given to those who accept their nature and give them a second chance.

Moreover, I assert that companies should make stringent laws wherein they willingly dismiss any person found to be guilty of engaging in any kind of violence. To avoid taking action against the wrong individual, companies should set up teams to investigate the case so that nobody is punished due to any personal grudge. These are a few activities through which organisation can do their part for a sustainable future and society. Although these would not curb the issue completely, it could be mitigated up to a certain level.

TRUST AND VOICE

As a society, we should all be responsible towards everyone's well-being and should have the courage to raise our voice against any wrong action and seek help. To support this, employees should be allowed to lodge anonymous complaints without any fear of their having to bear uncertain consequence or personal enmity.

Ultimately, employees should have the freedom and trust to raise their voice – and their voice should be heard. All the aforementioned points would not only help create a positive climate in the workplace but it would also help companies as their women employees would be physically and mentally aware and stress-free of their environment



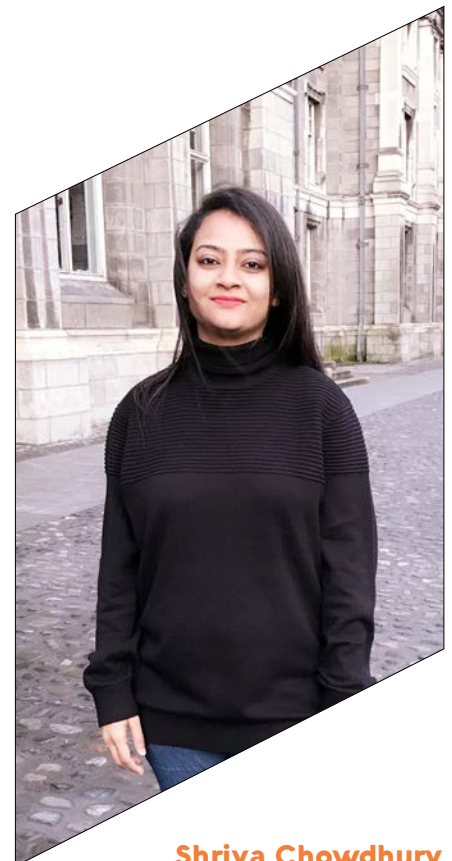
KEY TAKE AWAYS

DOMESTIC VIOLENCE IS A CRIME AND AS A WHOLE WE SHOULD ALWAYS STAND UP AGAINST ANY SUCH CONCERNS.

WOMEN SHOULD ALWAYS STAND FOR THEIR RIGHTS WITHOUT ANY FEAR OF BEING JUDGED BY SOCIETY.

COMPANIES CAN PLAY A KEY ROLE IN REDUCING VIOLENCE WITH DIFFERENT ACTIVITIES AND INITIATIVES.

MUCH POWER AND STRENGTH TO ALL WOMEN!



Shriya Chowdhury



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WIN IT ALL – A GAME PLAN FOR RESPONSIBLE BUSINESS



Edward Keunuk Shin, ESSEC Business School, explores some of the foul play that has occurred in the sports industry during the Covid-19 crisis and looks beyond to those in the sector who do good as part of their daily game.

IS RESPONSIBILITY WORTHWHILE?

PROFESSIONAL SPORTS CLUBS

rely on several revenue streams, of which sponsorship deals make up a significant portion. With great revenue, clubs can afford to pay millions or even tens of millions of dollars to attract top professional athletes. Several factors can lead to successful sponsorship deals for both the clubs and the players. Tan-

gible elements such as the attendance and intangible elements such as club reputation can affect sponsorship deals.

At first glance, there should be no social and ethical responsibility. After all, the difference between an amateur and a professional is that the pros make money. Financial gains for both professional athletes and clubs are determined by the market economy, where transactions happen because all par-

ties consider it as beneficial. Let's explore whether it is worthwhile for the sports industry to adopt responsible business practices.

MORE THAN JUST THE NUMBERS

Major professional sports leagues in America and the top level football leagues in Europe



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are composed of profitable clubs that employ well-paid athletes. The English Premier League of 20 teams turned 4.87 billion Euros of revenue during 2015/16 season (Ramchandani et al., 2018), and in the US, the Major League Baseball of 30 teams turned 10.7 billion USD of revenue in 2019 (Brown, 2019). Many of these professional sports clubs are valued at over 1 billion USD each, while footballers' transfer fees have regularly exceeded dozens of millions of Euros in the past decade (Muller et al., 2017).

There are several sources of revenue for these clubs: ticket sales, merchandising, and of course sponsorship deals that can range from broadcasting rights to advertisements and much more. TV rights in particular are a significant source of revenue. The American sports media rights market was worth 21.881 billion USD in 2018 (Sport Business Media, 2019), and about half of the revenue in French football during the 2012/13 season came from TV rights (Scelles and Andreff, 2017). Thus, it is clear that the sponsorship deals are a major part of the professional sports' business model.

The market economy enables individuals and organizations to take appropriate actions, while keeping within the legal system, to profit as much as possible. In this light, the aforementioned elite group of professional sports clubs and their athletes who are paid millions of dollars in salary are doing an exceptional job. They offer high quality entertainment for their fans, and the large fanbase leads to enormous profit for the sports industry.

Moreover, one benefit of sports is that it fosters teamwork. Professional sports can be a large industry because it unites the fanbase to have a common purpose. Additionally, there is often forgotten background work done by administrative and operational staffs to successfully host sporting events. Therefore, one could consider the concept of unity to be the foundation of the sports industry. So can this industry persist without the concept of community? Does it make practical sense for the industry to have social and ethical responsibility?

POSITIVE EXTERNALITIES AND PRACTICAL MOTIVATIONS

In a pure market economy, there is no explicit obligation to uphold social and ethical responsibility. Fans pay big money for their enjoyment; clubs and athletes put on a spectacle. This is theoretically a fair deal for both producers and consumers. Nevertheless, there are still incentives for the sports industry to respect and conduct CSR, whether the motivation comes from staying true to its aforementioned team spirit, or from simply expecting a greater future cash flow.

Indeed, reality has more layers than theoretical market economy. Emotionally, fans want to be a part of their favourite athletes. They get extra satisfaction from real interaction with the athletes and the management team. There are also non-playing employees who put in hard work to ensure that every event exceeds the high expectations of the fans. The fans, athletes, management group,

“
A responsible
mindset ultimately
adds value to the
club
”

coaches, and the staffs all together are a necessary component for the clubs to win sponsorship deals. As such, the extra effort given by the club and the athletes to best treat their fans and the workers can lead to positive externalities.

The sports industry also has a practical motivation to care for its community. The clubs and the athletes, as well as their sponsorship deals, cannot exist without the fanbase and the non-playing staffs. Consequently, the overall economy and fans' feelings can affect the industry's revenue streams, economic recession and disappointed fans being able to reduce future cash flow in various ways. Ticket sales can dwindle if the club continues to abuse its loyal fanbase – whether that is refusing to acquire top athletes or even threatening to relocate. In addition, sponsors have motivation to support clubs with good social reputation, and CSR activities can have a positive impact on club image (Lee and Ryu, 2018). As such, it is sensible to think that the social and ethical responsibility shown, or neglected, by the clubs and its athletes can alter future cash flow.



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DISAPPOINTED FANS – INADEQUATE RESPONSE TO COVID-19

We have seen how the public reacted to certain professional sports clubs during the ongoing COVID-19. The clubs that decided to lay off non-playing staffs, or reduce their wages, have been heavily criticized. Fans across different sports have expressed disgust over the lack of empathy shown by the billionaire owners and the millionaire athletes to the administrative and operational staff who make less than a hundred thousand USD, Euros, or British Pounds a year. At best, such actions could lead to boycotts – at worst, kicking in when the season eventually resumes, whether that is in the coming months or following year. Even in the most optimistic scenario, fans will be less forgiving when the clubs and athletes underperform.

The British EPL (football) and the North American NHL (hockey) delayed suspending their seasons for as long as possible and consequently, the decision played a role in speeding up COVID-19 infection during its initial stage. The leagues were short-sighted by the revenue loss from the current 2019/20 season, and ultimately their decision may have contributed to the worsened economy. As of April 6, 2020, the USA has led the world in COVID-19 infection by more than twice the country second on the list – China, while the UK is the 8th most infected country in the world despite being an island. The worsened economic conditions, partially caused by the neglect of social responsibility, could mean that fans may not be able to afford to attend games anymore, and the sponsors may not be as generous as they were before.

Many teams, such as Tottenham Hotspurs of the EPL, placed various measures to cut their spending on non-playing staffs as a response to the shortened season due to the pandemic. The fans were furious following the announcements because they identified more with the non-playing staff who do not have the financial safety net that the millionaire athletes may have and whose salaries remained unaffected. It may make sense from the club's perspective to mistreat easily replaceable staff, but their lack of ethical responsibility exposed the true intentions of these clubs: immediate profit and nothing more.

Mr. Daniel Levy, the Chairman of Tottenham Hotspurs, is EPL's highest earning executive,



earning £7 million a year. Mr. Levy also has an estimated net worth of £1 billion (Yahoo, 2020). Ironically, Mr. Levy cut 20% of 550 non-playing staff at Tottenham on March 31st, allowing them to earn a maximum of £2,500 per month (Wood, 2020). If we assume all those staff can earn this maximum wage, for the simplicity of the calculation, Tottenham is paying (2500 GBP/month) * (550 employees) = 1.375 million GBP per month, rather than (1.375 million GBP/month) (1/0.8) = 1.72 million GBP that they would have formerly paid. In other words, to save 0.344 million GBP per month, which is equivalent to about 0.0344% of Mr. Levy's wealth, Tottenham Hotspurs decided to forgo their social and ethical responsibility of taking care of the employees that truly run the club. For Mr. Levy, 0.0344% is likely less than his investment portfolio volatility during the same duration, yet for the 550 employees, their livelihood has been threatened. Needless to say, fans of the clubs that conducted similar practices, as well as the general public, are disappointed by their clubs' lack of social and ethical responsibility. Aside from the public sentiment, we can sympathize with the employees who may not work to their best capacity even after the situation returns to normal.

A FEW PAGES FROM THE GAME PLAN

But there are also many examples of the sports industry exhibiting exemplary social responsibility. Mr. John Tavares and Mr. Connor McDavid in the NHL are superstars who signed contracts that underpay them. In a league where each team can only

spend up to the allowed salary cap on total players, the players' gesture showed their fanbase that they want their teams to be able to sign other top talents to form a competitive team. The players stayed true to their ethical responsibility of being professional athletes: win games. Subsequently, these 2 players were able to secure larger player sponsorship deals than they would have otherwise.

Mr. P.K. Subban and Mr. Vincent Lecavalier are other professional athletes who made significant contributions to society. In 2016 Mr. Subban made a 10 million CAD donation to Montreal Children's Hospital, and in 2007 Mr. Lecavalier donated 3 million USD to help build a Pediatric Cancer and Blood Disorder Center at All Children's Hospital in St. Petersburg. When their play deteriorated later on in their career, they still had a loyal fanbase, making it difficult for their teams to buy out their expensive contracts. As such, these examples demonstrate that maintaining a high level of responsibility led to greater financial gain through various means.

RESPONSIBLE BUSINESS: IT'S A WIN-WIN

Although companies exist to make profit, a non-economic purpose of sports can be thought of as "unity" that delivers positive externalities. The fans and the public should appreciate clubs that can respect the sense of community between the sports industry and society. Indeed, our world is more complicated than today's mere cash flows.

Selfish business practices in professional sports is not optimal because professional clubs have an incentive to take on social and ethical responsibility. Responsible clubs stay true to the spirit of sports, thus increasing the public perception that can lead to higher expected future cash flows. Certainly, a responsible mindset ultimately adds value to the club.

Of course, there are practical limitations. Lack of time and money, as well as the physical assets required to conduct responsible engagement with society can hinder the sports industry in their ambitious contributions to society. Nevertheless, embracing ethical business operations is a win-win situation for both the professional sports industry and society at large.



KEY TAKE AWAYS

PROFESSIONAL SPORT IS A LARGE INDUSTRY WITH MANY SOURCES OF REVENUE. SPONSORSHIP DEALS MAKE UP A SIGNIFICANT PORTION OF THE REVENUE STREAM.

RESPONSIBLE BUSINESS PRACTICES CAN BUILD POSITIVE SENTIMENT AMONG THE FANBASE AND THE PUBLIC. MOREOVER, SPONSORS HAVE THE INCENTIVE TO ASSOCIATE WITH PROFESSIONAL CLUBS AND ATHLETES WITH GOOD REPUTATIONS.

SPORTS ENCOMPASS BOTH ELEMENTS OF PROFIT AND COMMUNITY. PROFESSIONAL CLUBS FORM A SYMBIOTIC RELATIONSHIP WITH THEIR ADMINISTRATIVE AND OPERATIONAL STAFFS, WHOSE WORK ENABLES THE CLUBS TO EXIST. AS SUCH, THESE UNPROTECTED EMPLOYEES' LIVELIHOODS SHOULD BE RESPECTED AND PROTECTED TO SUSTAIN EMPLOYEE MOTIVATION.

AS EXPOSED BY THE COVID-19 PANDEMIC, SHORT-SIGHTED PURSUIT FOR IMMEDIATE PROFIT CAN HAVE NEGATIVE CONSEQUENCES FOR BOTH THE SOCIETY AND THE SPORTS INDUSTRY. REALITY IS MORE THAN JUST THE NUMBERS.

OWNERS AND MANAGERS OF PROFESSIONAL CLUBS SHOULD BE JUDICIOUS WHEN THEY MAKE DECISIONS THAT CAN AFFECT A LARGE NUMBER OF PEOPLE. SMALL SAVINGS IN REDUCED OPERATIONAL COSTS MAY NOT EVEN AMOUNT TO THE DAILY VOLATILITY IN THE OWNERS' INVESTMENT PORTFOLIO.

PROFESSIONAL CLUBS AND ATHLETES SHOULD PRACTICE GOOD SOCIAL AND ETHICAL RESPONSIBILITY BECAUSE DOING SO CAN LEAD TO GREATER FINANCIAL GAIN IN THE LONG TERM. THE FANBASE SHOULD ALSO ACKNOWLEDGE AND PRAISE THIS EFFORT. ULTIMATELY, MUTUAL GIVING CAN BE A WIN-WIN SITUATION FOR ALL.



Edward Keunuk Shin

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BUSINESS, PEOPLE, PLANET



SUSTAINABLE EXTRACTIVE COMPANIES – THE WAY TO SURVIVAL OR CONSCIENTIOUSNESS?



Dinka Sabalic, IE Business School runner-up in the CoBS 2020 CSR article competition, explores the rise in stakeholder pressure for extractables to adopt cleaner operations – not only to benefit people and planet, but also profit.

COMPLETELY ban extractive companies or recognize them as a generator of wealth for the economies. The debate about the extractive industry is black-or-white – or is it? Voices of activists arguing the detrimental effect extractive companies have on the environment, health and communities, have never been louder than now, with non-go-

vernmental organizations supporting governments in creating sustainable initiatives and frameworks to reduce the harmful consequences of the extraction activities (Arond, Bebbington, Dammer, 2019).

Extractive companies conduct “the extensive extraction of natural resources without

provision for their renewal” (Lexico.com). Metal extraction or coal quarrying comes first to my mind as a typical example of extractive companies, and the visible change of the landscape caused by extractive activities is the reason why they are the most obvious to be criticized.

THE WORD “SUSTAINABILITY” AND ITS VARIOUS APPLICATIONS

It's surprisingly hard to imagine an extractive company ever to be environmentally acceptable. Many extractive companies already deploy different technologies and activities to make their operations sustainable. But how do we determine what sustainable means? Different actors will have differing definitions of a sustainable extractive company.

The Oxford Dictionary defines sustainability as “conserving an ecological balance by avoiding depletion of natural resources” (Lexico.com). While this definition might serve the environmental activists, it does not include the socio-economic side important for governments or an opportunity for companies' advancement.

The shift in public opinion has fostered the demand for sustainable and ethical acceptable products introducing the *reuse-reduce-recycle* principle that has put pressure on the extractive companies to change and adapt their business practice to the new trend (Winston, 2018). The difficulty arising from this principle is the extensive utilization of extracted materials and their different attributes. Some metals, like copper, are recyclable while other materials, like coal, are not. It seems this has created a reputation for each extracted resource (Denchak, 2018). Furthermore, it appears that “dirty” coal will most likely lose popularity against hard-to-recycle metals, like platinum, essential in mobile device production. For example, in the United States, the use of coal for power ge-

neration is falling year-to-year, as are their related greenhouse gas emissions. As such, the increase in regulation for coal utilization raises the costs associated with the use of coal as a fuel (McKinsey, 2015; Wang, 2020).

Many extractive companies voluntarily introduced Corporate Social Responsibility (CSR) as their answer to the allegations of unethical behavior and the public sentiment towards the industry, CSR being a set of strategies and actions that include environmental and social factors in the business operations and which address the company's non-market challenges (UNIDO). Examples of CSR actions include building infrastructure for local communities, reducing water consumption or transparent data publishing. Especially for the extractive industries, who are under scrutiny, CSR is a first defense against criticism.

There is an increasing number of social, environmental and sustainability reports used by extractive companies to demonstrate their ethical behavior (Frederiksen, 2018), but despite these voluntary measures, there are still cases of environmental and social damage related to extractive companies. The reason could partially lie in the theory that resource-rich countries perceive raw material extraction as a possibility to generate wealth, thereby disregarding the potential negative effects (Mabey, McNally, 1999; NRG, 2015). But should not companies want to support a community that provides them with resources?

The violation of human rights and environmental degradation led to the dispute and the divestment of the world's largest mines in the Grasberg Minerals Region in Indone-

sia (Sulaiman, 2018), the example supporting the opinion that focusing only on short-term financial targets will not be viable long-term. Except sustaining the community is not always as simple as it sounds. Companies operate in a complex environment with many actors having different perceptions of what is a priority to sustain.

THE ROLE OF THE LAW

We can point at the government's ineffectiveness to protect communities and to intervene on their behalf, but many governments perceive extractive companies as an opportunity to generate wealth. The regulation of extractive companies varies from country to country, and it appears that one of the reasons for it is the fear that extensive legislation will be a barrier for investments (NRGI, 2015; TAD/TC/WP, 2017). Extractive companies contribute to the world economy, and they create socio-economic benefits for host countries, developing countries' GDP being especially dependent on them (NRGI, 2015; TAD/TC/WP, 2017). They are likewise an essential supplier of raw materials for other industries, such as the technology industry. Consequently, raw material supply dysfunction could lead to broader economic problems. The data indicates that the governance deficit is the highest in resource rich countries (NRGI, 2015). This questions the government's capacity to advocate the interest of the community and opens up a discussion about the benefits arising from extractive activities.

Global standards would facilitate the regulation of business practices in the extractive industry. Associations such as the Extractive Industries Transparency Initiative (EITI) implement uniform standards across the globe, but such associations are voluntary, just like CSR (EITI, 2003). Global standards would reduce the uncertainty, difficult to respond to, and they would also present the possibility for companies to adjust the standards in their favor (Belinfanti, T. & Stout, L., 2018).

The government's primary focus is to create economic and social benefits for the people. The company's primary focus is to engage in market activities. However, the company's profits are related to the fairness of the relationship with stakeholders – the affected community (Belinfanti, T. & Stout, L., 2018). This variance in the intentions and goals





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each actor sets results in different time horizons. This may explain why cooperation may not be rational between all actors in the market. When companies focus only on short-term gains, excess risk-taking often happens, resulting in unethical behavior such as human rights violations or the degradation of the environment (Belinfanti, T. & Stout, L., 2018). However, it seems that the cost of the impact unethical behavior has on the company's performance is much higher than the company's gain achieved with excess risk-taking. On the other hand, companies that include environmental and social behaviors in their operations can anticipate attaining financial wins (Lenero, Thompson, 2014; Mining Technology, 2019).

SUSTAINABILITY AS A COMPETITIVE ADVANTAGE

Sustainability is a competitive advantage (Lenero, Thompson, 2014) and it seems that investments in sustainability strengthen the connection to customers, making the company more attractive. Moreover, such investments can lower operating costs, a good example being the investment in new technologies and methods that reduce energy and water consumption or increase operational safety. Foremost, extractive companies need to understand their operating environment and develop strategies that respond to the risks arising from their business activities. Globalization has led to more participants in the

markets and an increased need for resources, while many cases demonstrate that the negative impact caused by the unethical behavior of extractive companies has especially damaged their reputation and competitive edge (Eccles, Newquist, Schatz, 2007).

The government's task is to control the extractive industry with a legal framework and regulations. The balance between the overuse and the underuse of natural resources results in the creation of social and economic benefits for the host country. When companies include social, environmental and sustainable initiatives in the planning and execution of their operational activities, they reduce the potential risks that could jeopardize the company. (VML, 2019). That is why many companies already invest a percentage of the shareholder's return in social, environmental and sustainable initiatives. When a company supports the community, it benefits from a long-term sustainable increase in shareholder returns. In the end, without the resources, the company would not even exist.

SUSTAINABILITY LIES WITHIN THE COMPANY ITSELF

This article has addressed the benefits and challenges extractive companies encounter on their way to sustainability. Despite the diverse meanings "sustainability" has for actors,

the term "sustainability" appears to be especially important in the case of extractive companies. Based on many documented events, extractive companies cause a drastic change in the visual landscape and influence surrounding communities. It seems that their reputation as destroyers and polluters has only exacerbated the consumer demand for recycled and reused materials, with public sentiment calling for an end to their harmful influence on the environment. And reputation is king!

For many governments, extractive industries are a tool to generate wealth. However, data indicates that good governance and the presence of extractive companies don't always align. Consequently, many theories argue that extractive companies have to start considering environmental, social and sustainable factors when planning their operations – and many now do. Sustainability in extractive companies lies within the companies themselves, who are now recognizing the importance of such practices as an advantage to be able to survive.



KEY TAKE AWAYS

COMPANIES OPERATE IN A COMPLEX ENVIRONMENT WITH MANY ACTORS HAVING DIFFERENT PERCEPTIONS OF WHAT IS A PRIORITY TO SUSTAIN.

THE REGULATION OF EXTRACTIVE COMPANIES VARIES FROM COUNTRY TO COUNTRY, AND IT APPEARS THAT ONE OF THE

REASONS FOR IT IS THE FEAR THAT EXTENSIVE LEGISLATION WILL BE A BARRIER FOR THE INVESTMENTS.

GLOBAL STANDARDS WOULD REDUCE THE UNCERTAINTY, DIFFICULT TO RESPOND TO, AND THEY WOULD AS WELL

PRESENT THE POSSIBILITY FOR COMPANIES TO ADJUST THE STANDARDS IN THEIR FAVOR.

THE GOVERNMENT'S PRIMARY FOCUS IS TO CREATE ECONOMIC AND SOCIAL BENEFITS FOR THE PUBLIC. THE

COMPANY'S PRIMARY FOCUS IS TO ENGAGE IN MARKET ACTIVITIES. HOWEVER, THE COMPANY'S PROFITS ARE RELATED TO THE FAIRNESS OF THE RELATIONSHIP WITH STAKEHOLDERS -THE AFFECTED COMMUNITY.

SUSTAINABILITY IS A COMPETITIVE ADVANTAGE. IT LOOKS LIKE INVESTMENTS IN SUSTAINABILITY STRENGTHEN THE CONNECTION TO CUSTOMERS, MAKING THE COMPANY MORE ATTRACTIVE. MOREOVER, SUCH INVESTMENTS CAN LOWER THE OPERATIONAL COST.

WHEN COMPANIES INCLUDE SOCIAL ENVIRONMENTAL AND SUSTAINABLE INITIATIVES IN THE PLANNING AND EXECUTION OF THEIR OPERATIONAL ACTIVITIES, THEY REDUCE THE POTENTIAL RISKS THAT COULD JEOPARDIZE THE COMPANY.



Dinka Sabalic

HUMAN RIGHTS ARE WOMEN'S RIGHTS



Ruth Vieira Melo, FGV-EAESP winner of the CoBS 2020 student CSR article competition, explores how women have been fighting for their rights and how companies can integrate this fight and contribute to reshaping old values that facilitate the maintenance of violence against women – one of the worst aspects of the suppression of women's rights.

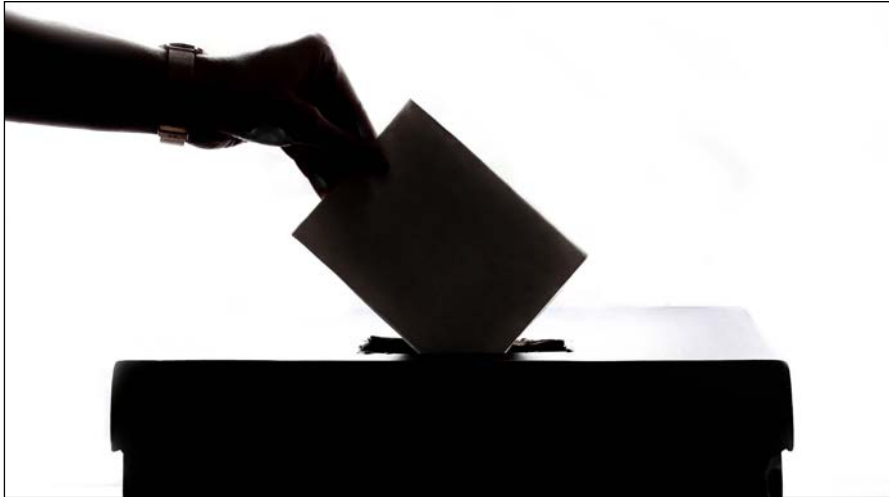
WOMEN take the lead to ensure security and autonomy for themselves and future generations

FROM SUFFRAGETTES TO #METOO WOMEN: THE EVOLUTION OF THE FIGHT

FOR WOMEN'S RIGHTS

The United Nations defines human rights as the rights to life and liberty, freedom from slavery and torture, freedom of opinion and expression, the right to work and education, and many others that are inherent to all individuals regardless of their race, sex, ethn-

city, religion or other status (United Nations, n.d.). Nevertheless, certain groups still do not enjoy these rights and one of these groups is composed of women and girls around the world. Throughout History, women have been fighting to change this reality. There has been great progress, but there is still a long way ahead.



Regarding, for instance, the right to vote, New Zealand was the first country to allow women to vote at the end of 19th century (Amnesty International, n.d.). In the beginning of the 20th century, women in Britain started the Suffragists movement aiming to conquer the right to vote. They believed in peaceful protests but made no immediate progress. That is why a frustrated member left the organization and started what were called Suffragettes group, whose actions became more violent and involved breaking windows and even planting bombs. It was only in 1918, after women became more active in the labor market during the First World War, that the right to vote was conceded to women over 30 years' old who owned a property (Amnesty International UK, n.d.). In Brazil, this only happened in 1932, but with certain restrictions: only married women that had their husband's consent could vote and also widows and single women that had some income (Gouvea, 2019). Even though, nowadays, women still face trouble to vote

– for instance in Pakistan, mainly in remote areas in the north of the country, where Pakistani women made a great effort to vote in the last election in 2018, and when millions of women registered to vote for the first time (Jaffery, 2018). Another human and basic right is the access to education. Only at the end of the 19th century, in Britain, the first university opened its courses for women (Amnesty International UK, n.d.). More than a hundred years later, women still have low access to education in certain parts of the globe. In Afghanistan, for example, the enrolment rate in secondary school was 34% for male and only 13% for female, in 2007 (UNESCO, 2014). The list is inexhaustible – that is why, today, we cannot say that this activism exists only in History books. It is more alive than ever.

Today, women have gained a new tool to keep this activism alive. Social media encourages solidarity and the exchange of experiences (Powell, 2018). Some hashtag movements have echoed around the world and in 2017, actresses posted the #MeToo hashtag to reveal sexual abuse performed by Hollywood bigwigs.

VIOLENCE AGAINST WOMEN: A WAR WITH NO CEASEFIRE AND A STRONG REASON TO KEEP FIGHTING FOR WOMEN'S RIGHTS

Despite all the conquests that women obtained throughout History, it is still necessary to fight for women's rights. This is a war with no ceasefire: even when the world is concentrating efforts on stopping the coronavirus pandemic and the United Nations is

calling for a global ceasefire, women are experiencing an increase in domestic violence due to social isolation. Moreover, violence against women is a global pandemic without efficient treatment or vaccine – a phenomenon dating back to the beginnings of human civilization that dramatically affects societies around the globe.

According to an EU-wide survey on violence against women conducted by the European Union Agency for Fundamental Rights in 2014, which interviewed more than 40,000 women around European Union, 33% of women have suffered physical and/or sexual violence since the age of 15 years old. The most common patterns of physical violence involved being shoved, pushed, grabbed or hair pulled. At a country level, Denmark, Finland and Latvia present the highest levels of physical violence performed by partners, while the Netherlands, Denmark and Sweden present the highest rates for a non-partner physical violence (European Union Agency for Fundamental Rights, 2014). This report showed that even in countries where gender-equality has theoretically been achieved, violence still exists. This contradictory situation has been named “The Nordic Paradox”. The reasons behind this are still underexplored: one possibility is that women in these countries feel safer to talk about domestic violence, but another possibility is that these countries are facing the effect of redefining manhood and womanhood (Leahy, 2016). So, it is possible to say that violence against women exists in every country, even in the most developed ones, and includes different forms of abuse.

In the developing world the numbers and the ways that violence presents itself are even more scary. In the Republic of the Congo, women were used as a war weapon: in some villages, all women were raped and the whole community was obliged to watch, forcing people to leave and give up their lands. Many shocking stories were brought to light after Denis Mukwege, a Congolese gynecologist, won the Nobel Prize, in 2018, for treating these rape victims in Congo (BBC News Brasil, 2018). In 1998, in Kenya, a police officer beat his wife to death because there was no meat for dinner after he arrived back from work (Kimani, 2007). Alonge (2018) argues that, in countries such as Nigeria, women even reported lack of support of their own families, due to economic reasons, when they expressed the wish



Reshaping secular values and organizational culture, companies can contribute significantly in the fight for women's rights and in decreasing violence against women.





bor market, but it is also true that these patriarchal values are still being taught in society since childhood and are still able to influence everyone's lives.

Girls grow up playing with dolls, dolls' houses and mini ovens and boys grow up watching this and believing that only girls were born to exert these roles. These values are so embedded in society that, in the last few years, Brazil, for instance, watched a minister and an important communication vehicle reproducing these retrograde values.

Pastor Damares, Brazilian Minister of Women, Family and Human Rights, said that "Boys wear blue, and girls wear pink" and that "girls will be princesses and boys will be princes" in a video that went viral. Minister Damares believes that an "ideological indoctrination" of children and teenagers is happening in Brazil (Folha, 2019). Actually, what is really happening is that the very Minister of Women, Family and Human Rights cannot understand that previous years' activism, occurring mainly on social media and performed by women and girls, aims to reshape these old patterns and extend women's role in society in order for women to gain more bargaining power to fight for their rights. Besides that, in 2016, an important Brazilian magazine wrote a story about the former Brazilian First Lady, referring to her as a "beautiful, demure housewife" and expressing how lucky the ex-president, Michel Temer was for marrying such a well-behaved wife (Linhares, 2016).

Reinforcing these values mean keeping women in a vulnerable position and taking from them the right to choose to be whatever they want to be. That is why every institution needs to create ways to put an end to this idea that men deserve submission from women and also ways to integrate and protect women against any kind of repression.

VIOLENCE AGAINST WOMEN: NOT ONLY A FAMILY MATTER, BUT ALSO A BUSINESS MATTER

In Brazil, we are used to repeating an old saying that means that when a couple is fighting, no one should interfere. But that is not true. Companies are an essential player in fighting violence against women. Managers can always get tempted to think that their

to break free from their husbands. Alonge (2018) showed that poverty affects more women than men in sub-Saharan Africa: 122 women living in extreme poverty for each 100 men. All these cases demonstrate that in some countries patriarchal values are still strictly followed and that the notions that men deserve absolute respect and submission from women are embedded in society. In Brazil, one woman is killed every seven hours according to a data survey performed by Globo and the University of Sao Paulo in March of 2020. The highest rate of femicide occurs at Acre, a Brazilian state located in the North, a region that is less densely populated than others (Velasco et al., 2020). Another Brazilian region that is seriously affected by violence against women is the Northeast: as reported by the United Nations in 2017, 27% of all women between 15 and 49 years old from the Northeast of Brazil have already suffered domestic violence (Agência Brasil, 2017). A survey conducted, in 2019, by the

Institute for Applied Economic Research, in Brazil, showed that violence affects more women than integrate the economically active population (52.2%), while only 24.9% of women who do not integrate the labor force reported that they have already been a victim of violence (Costa, 2019) – exposing that violence can increase when women challenge the patriarchal values imposed to them since they were born.

"BOYS WEAR BLUE, AND GIRLS WEAR PINK": THE ROLE CONCEDED TO WOMEN IN SOCIETY AND THE NEED TO RESHAPE IT

For years, women were demanded to stay home, cooking, taking care of their children, and waiting for their husbands to arrive back from work. It is true that, in many countries, women are succeeding in entering the la-



employees do not suffer any kind of domestic abuse, but the statistics show the opposite. As such, it is necessary that companies develop the expertise to identify a victim of domestic violence and that managers create a safe environment for these victims to talk about it. The workplace needs to be a safe place, where victims can find legal and psychological support. Furthermore, companies need to reinforce security schemes in order to keep aggressors away from their victims, since a significant part of domestic violence homicides happen in the workplace (Darbyshire, 2018). Besides that, companies should find a way to support their female customers. Vodafone, for instance, developed an app that helps users to locate the nearest support system in case they are experiencing domestic violence.

In the entrepreneurship field, women face obstacles when looking for investment for their businesses. Venture Capital firms need to employ more women in order to put an end to this biased view that female entrepreneurs are inexperienced and incapable of running a successful business. Female entrepreneurship is essential in fighting violence against women, because the entrepreneurs become able to create their own workplace culture (Salter, 2019). Additionally, entrepreneurs in the toy segment need to reshape the concept of girls' toys, contributing to stopping the spread of patriarchal values that favor the maintenance of violence against women in the world.

BUILDING A BETTER FUTURE

Reshaping secular values and organizational culture, companies can contribute significantly in the fight for women's rights and in decreasing violence against women – one of the worst aspects of the suppression of these rights. This way, companies will enjoy greater productivity and women around the world will occupy leadership positions and inspire each other, thereby creating a safe place for future generations.



KEY TAKEAWAYS

WOMEN HAVE BEEN FIGHTING FOR THEIR RIGHTS THROUGHOUT HISTORY AND THIS FIGHT IS MORE THAN ALIVE TODAY

VIOLENCE AGAINST WOMEN, WHICH INCLUDES DOMESTIC VIOLENCE, IS ONE OF THE WORST ASPECTS OF THE SUPPRESSION OF WOMEN'S RIGHTS AND IS A GLOBAL PROBLEM

PATRIARCHAL VALUES CONTRIBUTE TO DEFINING FEMALE ROLE IN SOCIETY AND ALSO MAKE WOMEN MORE VULNERABLE, SO IT IS NECESSARY TO RESHAPE THESE VALUES AND THE ROLE CONCEDED TO WOMEN IN SOCIETY

COMPANIES CAN INTEGRATE THIS FIGHT FOR WOMEN'S RIGHT AND HELP TO RESHAPE OLD VALUES EMBEDDED IN SOCIETY, CONTRIBUTING TO THE INCREASE OF PRODUCTIVITY AND TO THE CREATION OF A SAFER FUTURE FOR FUTURE GENERATIONS



Ruth Vieira Melo

GREENWASHING IN THE NEW MILLENNIUM – DO (AND HOW DO) COMPANIES WALK-THE-TALK?



Carlo Alberto Calchera of **ESSEC Business School** explores the shadows of greenwashing and brings light to the powerful argument for corporate responsibility.

AS TIME GOES ON, and growing environmental concerns lead companies to adopt more inclusive environmentally responsible policies, more and more organizations are jumping on the green management bandwagon, though in various ways and with mixed results. Indeed, there is a strong difference between acting green, which entails non-negligible efforts and investments, and claiming to be green, known as greenwas-

hing. So, a question arises: does greenwashing pay off? And if so, to what extent?

GREENWASHING: HOW IT WORKS AND THE EFFECTS ON THE PUBLIC PERCEPTION OF THE COMPANY

A first and foremost query has to be clarified: what exactly is greenwashing, and what are its objectives? According to the Concise Oxford Dictionary, "[Greenwashing] consists of disinformation disseminated by an organization so as to present an environmentally responsible public image". In other words, greenwashing relies on deceptive marketing and advertisement actions aimed at persuading the public of the eco-sustai-

nability and environmental friendliness of a company (or its products). As for its goals, greenwashing is ultimately aimed at improving the company's perception and modifying customers' purchase intentions. Currently, companies rely to an increasing extent on greenwashing to elicit in customers two very distinct, yet complementary feelings (Akturan, 2018):

1. Push clients to predilect the purchase of "green" products.
2. Convince clients that their products are undoubtedly the "greenest" available.

From a managerial and strategic perspective, the concept of greenwashing derives from a deceptive sort of unfaithful reputation management, whose goal is to

hide deviant behavior, or downplay company misconducts. To obtain such an effect, organizations usually rely on three main features: confusion, fronting and posturing (Laufer, 2003). This triadic approach aims at reducing and controlling available information to the general public about the company (confusion), casting doubts on the actual severity or importance of the underlying problem while downplaying the firm's role (fronting), and convincing both internal and external stakeholders about the company's ethical behaviors (posturing).

As for the practical implementation of greenwashing, companies usually rely on two types of greenwashing: "claim greenwashing" or "executorial greenwashing" (Akturan, 2018). Claim greenwashing, as defined by Kangun, Carlson, and Groove, 1991, is the use of indefinite or arguable terms generating false claims and manipulating claims to exclude necessary information. Executorial greenwashing, on the other hand, can be defined as the use of nature-evoking

elements in advertisements to artificially enhance a brand's ecological image (Parguel, Benoit-Moreau, and Russell, 2015). A glaring example of this kind of greenwashing could be McDonald's 2009 "Green Logo" initiative. To promote an eco-friendlier image across many of its European stores, the company simply changed the background color of its iconic logo from red to green, without however investing resources in improving its ecological footprint (Dunham, 2009), a policy that further inflamed activists' protests against the American burger-behemoth.

To sum up, considering the increasing dose of attention that people put into Corporate Environmental Responsibility when making a purchase decision, companies who fail to rightfully obtain and communicate a strong environmental legitimacy might be doomed to perish (Berrone, Fosfuri, and Gelabert, 2015).

CORPORATE ENVIRONMENTAL LEGITIMACY AND SIGNALING POWER: NOT ALL ACTIONS WEIGH THE SAME

As an old saying goes "A done something is better than a perfect nothing". However, in the particular and inflammable context of CER (Corporate Environmental Responsibility), this may not hold true. Indeed, thanks to the combined efforts of many environmental movements across the last decades, public sensitivity around such a topic has shifted dramatically, and in a not-so-distant future putting green claims to deeds will no longer be an option, but rather a must-do (Lyon and Maxwell, 2011, Berrone, Fosfuri, and Gelabert, 2015, et al.).

As evident from a wide body of studies and literature in the subject, and as viable and practical advice for professionals, "only genuinely green credentials are effective for acquiring social legitimacy" (Berrone, Fosfuri, and Gelabert, 2015). That is, in plainer terms: pretending to be and act green when you are not is way more dangerous than simply doing nothing. Indeed, faking a true effort in the sector of Corporate Environmental Responsibility in the age of information turns out to be harder than ever, and the risk of unexpected backfires on the company's reputation is more than a distant specter. So,

No legacy is so rich, as honesty

although it might sound counterintuitive, firms with shaky environmental footprints might be better off by doing nothing rather than pretending to do more than what they actually do.

Given what has been exposed so far, a doubt is raised: which actions are more effective in generating and communicating a coherent sustainable company image, and why should companies invest in it? To answer the second query, it is enough to say that once obtained legitimacy, a firm becomes more competitive by gaining better access to resources, attracting more skilled employees, and often enjoying superior exchange conditions with partners (Oliver 1991; Stern, Pfeffer and Salancik 1978). Therefore, obtaining across-the-board legitimacy proves to be a strategic and managerial priority for organizations.

As for the possible ways to obtain legitimacy, deeds and policies that require high investments, or that are in any other way costly to imitate should generate environmental legitimacy (Certo, 2003). Indeed, in the eyes of public opinion, the commitment of a great extent of resources (such as the registration of environmental patents) signals a strong willingness by a company to improve its Corporate Environmental Sustainability efforts. However, as highlighted above, the effects of these actions also depend on the firm's image across the general public, especially if the company is under intense scrutiny by environmental NGOs. In a simple man's words: consumers expect companies to put their money where their words are.

WHEN GREENWASHING BACKFIRES: ASYMMETRY IN POSITIVE AND NEGATIVE EFFECTS OF GREENWASHING AND THE ROLE OF ENVIRONMENTAL NGOS

One of the most commonly heard proverbs



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in the Public Relations world is that there is no such thing as bad publicity, meaning that as long as people talk about your company, there is nothing to lose but everything to gain. However, much like what was said before, bad publicity proves to be worse than no publicity at all. Indeed, as a result of a common cognitive bias (Lange and Washburn, 2012; Kahneman, 2011), people are generally more sensitive to threatening or negative events rather than to positive happenings. Therefore, clients tend to remember and evoke more easily bad feelings and link them with a specific person, event or company. Otherwise said, consumers usually don't focus on good examples, rather on bad ones, and thus, firms should pay very close attention to these sunk costs of bad publicity.

One recent scandal, above all, may exemplify this overall tendency: the 2015 Volkswagen emission scandal. In 2015, the German automotive group was found guilty of rigging emissions tests for roughly 12 million of its vehicles, effectively misleading consumers' associations and international regulatory bodies. Besides the direct costs borne by Volkswagen (roughly 3 billion USD in fines and settlements), the effects of this scandal went far beyond previsions, as Volkswagen's corporate image took a big hit and the German brand lost a great part of its consumers' loyalty and trust. As reported by the Financial Times (FT.com, 2015), the combined sales of the Volkswagen group fell by around 20% all across its biggest markets (UK, Europe, and the US) in the sequent financial year. Moreover, in the months following

the scandal, many environmental NGOs weighted in and started to closely monitor the brand's past and present actions, thus effectively echoing and increasing the reach of the scandal.

In fact, studies show (in particular, Berrone, Fosfuri, and Gelabert, 2015) that environmental NGOs are more likely to report and spread negative news about a company than exalting positive examples; in other words, NGOs appear to be very effective in confronting and challenging companies for their environmental misconducts, while are relatively less incisive at praising good environmental actions. Under this new light, a better proverb might be: there is indeed bad publicity. And it's more resilient than it looks.

TYING UP THE LOOSE ENDS: HOW EFFECTIVE IS GREENWASHING IN THE MODERN WORLD?

Despite what some may maintain, corporate responsibility is here to stay. It is not a buzz word, a momentary trend, a cheap trick to obtain social acceptance. Rather, it is a pivotal guideline necessary to respond and adapt to the challenges that the new millennium poses to companies all across the globe; corporate sustainability can – and should – represent a competitive advantage in today and tomorrow's market. Society at large now requires companies to make true and quantifiable efforts in promoting and enacting a culture of environmental aware-

ness and green sustainability but, despite its noble roots, this pressure has triggered some companies to take part in a vast scale manipulation of the public opinion aimed at gaining an undeserved reputation for being green, also known as greenwashing.

However, as it's evident from the vast corpus of studies in the matter, not all environmental actions and policies are effective, and some of them might even be detrimental, especially when companies fall back on greenwashing. Such cosmetic strategies do not appeal to the 2020's men and women, and more often than not companies bragging about their "eco-friendliness" without substantial proof of their claims fall victim to their own deceit and are doomed to fail in the long-term game. Only companies that act transparently, and "walk the talk" with their green policies will succeed in this ever more resourceful world. Or, in the words of the celebrated William Shakespeare, "No legacy is so rich, as honesty".



KEY TAKE AWAYS

THE INCREASING CONCERN REGARDING THE SAFEGUARD OF THE NATURAL ECOSYSTEM PRESSURES COMPANIES TO MAKE SUBSTANTIAL AND, MOST IMPORTANTLY, QUANTIFIABLE EFFORTS IN TERMS OF SUSTAINABLE PRACTICES TO WIN AND KEEP CUSTOMERS' APPROVAL.

IN THE LAST DECADES, THROUGH THE SAPIENT USE OF MISCONDUCTING PR AND MARKETING TACTICS, MANY COMPANIES MANAGED TO POSITION THEMSELVES AS "GREEN COMPANIES" IN THE MIND OF CUSTOMERS WITHOUT ACTUALLY "WALKING THE TALKING" THROUGH WHAT IS KNOWN AS GREENWASHING.

ALTHOUGH TEMPTING, COMPANIES SHOULD RESIST THE IMPULSE TO RESORT TO GREENWASHING AS A QUICK WAY TO GAIN ACCEPTANCE, ESPECIALLY IF THEIR GREEN FOOTPRINT OR LEGITIMACY IS DETERIORATED, AS NEGATIVE HAPPENINGS IN THE FIELD OF CER HURT COMPANIES' REPUTATION MORE THAN WHAT POSITIVE ONES IMPROVE IT.

NGOS ACTIVE IN SUSTAINABILITY CAN HAVE SERIOUS IMPACTS ON A COMPANY'S REPUTATION AND, QUITE ODDLY, ARE MORE EFFECTIVE IN POINTING OUT COMPANIES' DEFICIENCIES OR WRONGDOING MORE THAN PRAISING HONEST ENVIRONMENTAL ACTIONS.

ACTIONS THAT REQUIRE GREATER COMMITMENT, EITHER IN THE FORM OF CAPITAL INVESTMENT OR STRUCTURAL REFORMS OF THE ORGANIZATION, ARE MORE LIKELY TO BE CONSIDERED AUTHENTIC FROM THE WIDER PUBLIC, AND THUS GREATER ARE ITS POSITIVE EFFECTS, AND VICE VERSA. THE SAFEST AND MOST MORALLY DEFENDABLE PATH TO SUCCESS IN THE LONG TERM IS, WITHOUT ANY DOUBT, A COMPLETE AND TRANSVERSAL HONESTY: EITHER A COMPANY WISELY INCREASES (OR MAINTAINS CONSTANT) ITS EFFORTS IN SUSTAINABILITY, OR AT THE VERY LEAST REMAINS TRANSPARENT AND TRY TO "FLY UNDER THE RADAR"

OF PUBLIC OPINION AND ENVIRONMENTAL NGOS, AS GREENWASHING PRACTICES (DESPITE DUBIOUS GAINS IN THE SHORT TERM) CAN ULTIMATELY LEAD TO REPUTATION LOSSES OR EVEN FAILURE.



Carlo Alberto Calchera

SOCIAL ENTREPRENEURSHIP: DEFINITION AND RESEARCH TRENDS



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José Javier Pérez Barea, IE Business School winner of the CoBS 2020 CSR article competition, explores the chartered and uncharted waters of social entrepreneurship.

HOW TO IMPROVE THE UNKNOWN?

One important point about social entrepreneurship (SE) becoming more sustainable is to delve into the knowledge and research about the term. Moreover, the issue of SE definition is a problem affecting research and sustainability in this field. The main aims of this article are I) further knowledge by means of a review of scientific literature to determine the conceptual

development of SE and II) identify the most interesting research trends.

SYSTEMATIC LITERATURE REVIEW: MICRO, MESO AND MACRO LEVELS

Social entrepreneurship is an emerging field that urgently needs reviewing to establish

the key aspects of its definition. This article represents an attempt at doing so, but it does not solely focus on the conceptualization of this phenomenon. The conclusions of this article should contribute to the central debate surrounding the role of businesses today as creators of common good and the increasing closeness between these two worlds.



more often associated with not-for-profit organizations. Some authors have called social enterprises 'hybrid organizations' – that is, companies that make most of their profit from economic activity, but that also combine it with non-commercial sources of income, such as donations or grants.

The last of these three levels is the macro level, which explains the relationship between social enterprises and their economic, social and organizational context. All new enterprises, regardless of their business model, need to identify an opportunity based on an existing market and overcome any obstacles in setting up their business. In the case of social enterprises, their chosen social mission will largely define the context in which they operate and their specific difficulties and needs. To overcome these difficulties, experts advocate innovation, traditionally defined as the introduction of new production models or expansion into new markets (Schumpeter, 2013).

Many researchers suggest, although the limits of the concept are not clearly defined, that social entrepreneurship is an area of study with its own identity that can be approached scientifically. In fact, the novelty lies in the term 'social entrepreneurship' not in the concept itself, which has appeared in various guises over time. For Chioiu and Majumdar (2014), social entrepreneurship is a domain made up of multiple sub-concepts: (I) the creation of social value; (II) the social entrepreneur; (III) the organization focus; (IV) market orientation and; (V) social innovation.

Most authors agree that the concept of social entrepreneurship has attracted a lot of attention in recent years, not only from academics but also from people working in this field and government agencies. To date, there have been three main approaches to the study of social entrepreneurship: social entrepreneurs as individuals, the *micro* approach; social enterprises as organizations, the *meso* approach; and the *macro* approach, which looks at the economic and social context and, more specifically, the implications of social innovation.

The micro level studies the perspective of social entrepreneurs as individuals. For Dees (1998), this type of entrepreneur must: (I) have a mission of creating social value; (II) identify business opportunities to complete said mission; (III) pursue a process of on-going innovation; (IV) act boldly; and (V) have a heightened sense of responsibility for socially excluded groups and for the results obtained. A social entrepreneur is someone who looks for innovative solutions to traditional problems and who has a strong social commitment to the community in which he or she operates. Furthermore, a social entrepreneur is someone who not only aims to solve a problem in a specific place, but who has a more global perspective and looks to create a scalable model; that is, a model that can be replicated in other contexts to maximize its transforming impact. Social entrepreneurs do not focus on just providing aid – they work to generate sustainable change and authentic social transformation.

Social entrepreneurship is also understood on a meso level, where the focus is on the enterprise as an organization. The largely shared definition of a social enterprise is one whose central mission is to have a transforming impact or to create positive social

change by means of a business model or activity that enables its said mission to be achieved in a financially sustainable way, using innovative and replicable business models (Murray, Caulier-Grice & Mulgan, 2010). Under the classic economic model, the mission of a company is to maximize financial gain and utility for shareholders, while the mission of a not-for-profit organization is to maximize social gain and utility. Besides the difference in mission, these types of organizations are also sustained in a different way. Traditionally, for-profit companies are sustained by the income generated from their economic activity, while not-for-profit organizations are sustained through charity and philanthropy. The unique feature about a social enterprise is that its mission will be to maximize social gain and utility, but its business model will ensure the organization is financially viable (Bagnoli & Megali, 2011). This new model of organization, which combines the for- and the not-for-profit tradition, is still not properly understood and is



RESEARCH TRENDS: VENTURE PHILANTHROPY, MEASURING SOCIAL IMPACT AND HYBRID ORGANIZATIONS

The other aim of this article is to find trends in new themes linked to social entrepreneurship. SE emerged from two different trends: from the field of business ethics and corporate social responsibility on the one hand, and from the field of NGOs and the third sector on the other. Over the years, trends such as those outlined below have arisen on which researchers have focused their work.

Venture philanthropy is a new concept that appears in the context of philanthropic foundations (corporate or otherwise) and individual investors seeking to measuring the social impact of their investments in charitable projects. For Scarlata and Alemany (2010), venture philanthropy is the process of investing in social enterprises that have a big social impact. For other authors, it is a way of operating in the social sector in a more efficient manner. People who donate to not-for-profit organizations are seen as social investors – something that changes the concept of investor. The difference is that while a traditional investor seeks only financial return, a social investor's main aim is social return, measured in terms of the social impact or change generated by the organization. In turn, other authors see venture philanthropy as the application of entrepreneurial management processes and efficiency levels to not-for-profit organizations, in order to maximize both social and financial return (Buckland, Hehenberger & Hay, 2013).

In recent decades, the question of how to measure the impact of social enterprises has become increasingly pressing. As such, there is a growing demand for tools that verify the performance of inputs or capital – whether from donors or investors – in relation to the fulfillment of a social mission (Alvord, Brown & Letts, 2004). There is also a growing demand for tools to support decision-making and the evaluation of activities in order to identify areas for improvement within social enterprises. From the world of business, Performance Measurement Systems (Neely, Adams & Kennerley, 2002) have been defined as a set of metrics used to quantify the efficiency and effectiveness of the actions

of a company. This method of measuring economic performance is now being used to measure social performance or the social and environmental impact of enterprises and organizations, entailing measuring the impact that a company's activity has on its stakeholders. By definition, a hybrid is something formed from two different species. In the context of organizations, it is used to describe organizations with structures and practices that coexist in different categories. Researchers often define social enterprises as hybrid organizations that aim to marry the fulfillment of a social mission with the creation of financial profit – that is, organizations that are financially sustainable (Lumpkin et al., 2013). Within these organizations, there is a delicate, often conflicting, balance between the business proposal and the social objectives, and this issue is by no means resolved in academic literature. This concept is also used to describe, from an institutional perspective, organizations that fall between the binary categories of for-profit vs. not-for-profit, and private vs. public (Defourny & Nyssens, 2006).

The debate across the literature about how to define social entrepreneurship reveals that the line which separates for-profit and not-for-profit organizations is becoming increasingly blurred. Processes of innovation and, more specifically, social innovation are essential when addressing the context of social transformation and the mission of a social enterprise. Sustainability is another key concept in terms of explaining the nature of social enterprises as organizations that seek to combine, in the long term, financial profit and a social mission. In addition, countries with higher rates of traditional entrepreneurial activity also tend to have higher rates of social entrepreneurial activity (Lepoutre et al., 2013).

A NEW PHENOMENON

It would be worth considering whether this is the product of social and cultural change in the business and economic world at large. Whether the way of approaching social problems is changing and whether organizations with a social mission are changing into more efficient entities using more traditional business management models. However, this change has not come from organizations as entities, but rather from social entrepreneurs as individuals, acting as the driving force

behind this type of incentive. Perhaps this is because we now have a new generation, the millennials, who understand the world in much more global terms thanks, among other things, to technological advances and new means of social communication.

“ A social entrepreneur is someone who not only aims to solve a problem in a specific place, but who has a more global perspective and looks to create a scalable model. ”



To conclude, social entrepreneurship is an emerging phenomenon that would benefit from more empirical research to advance in the process of bringing the definition debate to a closure. For example, we need more success stories through which to understand the entire process, from the hatching of an idea to the creation of the corresponding social change. The main challenges concern the limits of social entrepreneurship as regards other more traditional types of entrepreneurship. The matter of individual social entrepreneurs is simpler as it seems clear what motivates them, where their main skills lie, and what sets them apart from other entrepreneurs. However, what is not so clear cut is the type of organization that defines a social enterprise – legally speaking – and the question of profits, especially for companies that make a profit and have various external investors. These trends point to future lines of research that we still know very little about. The big question of how to measure social impact is one of the main concerns of researchers today. The problem of funding is another important topic as it is not fully clear how social enterprises are being funded, and it would be interesting to know who is financing this type of organization and why. Another interesting line of research would be to compare and explore the development of social entrepreneurship according to geographical location – e.g. Anglo-Saxon influence vs continental Europe.

KEY TAKE AWAYS

ON A MICRO LEVEL, SOCIAL ENTREPRENEURS DO NOT FOCUS ON JUST PROVIDING AID – THEY WORK TO GENERATE SUSTAINABLE CHANGE AND AUTHENTIC SOCIAL TRANSFORMATION.

ON A MESO LEVEL, THE HYBRID MODEL OF ORGANIZATION COMBINES THE FOR- AND THE NOT-FOR-PROFIT TRADITION, MAKING MOST OF THEIR PROFIT FROM ECONOMIC ACTIVITY, BUT THAT ALSO COMBINING IT WITH NON-COMMERCIAL SOURCES OF INCOME, SUCH AS DONATIONS OR GRANTS.

ON A MACRO LEVEL – THE RELATIONSHIP BETWEEN SOCIAL ENTERPRISES AND THEIR ECONOMIC, SOCIAL AND ORGANIZATIONAL CONTEXT – A SOCIAL ENTERPRISE'S CHOSEN SOCIAL MISSION WILL LARGELY DEFINE THE CONTEXT IN WHICH THEY OPERATE AND THEIR SPECIFIC DIFFICULTIES AND NEEDS.

TO OVERCOME THESE DIFFICULTIES, EXPERTS ADVOCATE INNOVATION, TRADITIONALLY DEFINED AS THE INTRODUCTION OF NEW PRODUCTION MODELS OR EXPANSION INTO NEW MARKETS.

VENTURE PHILANTHROPY IS THE PROCESS OF INVESTING IN SOCIAL ENTERPRISES THAT HAVE A BIG SOCIAL IMPACT. FOR OTHER AUTHORS, IT IS A WAY OF OPERATING IN THE SOCIAL SECTOR IN A MORE EFFICIENT MANNER. PEOPLE WHO DONATE TO NOT-FOR-PROFIT ORGANIZATIONS ARE SEEN AS SOCIAL INVESTORS – SOMETHING THAT CHANGES THE CONCEPT OF INVESTOR.

SUSTAINABILITY IS ANOTHER KEY CONCEPT IN TERMS OF EXPLAINING THE NATURE OF SOCIAL ENTERPRISES AS ORGANIZATIONS THAT SEEK TO COMBINE, IN THE LONG TERM, FINANCIAL PROFIT AND A SOCIAL MISSION.

COUNTRIES WITH HIGHER RATES OF TRADITIONAL ENTREPRENEURIAL ACTIVITY ALSO TEND TO HAVE HIGHER RATES OF SOCIAL ENTREPRENEURIAL ACTIVITY.

IMPORTANT QUESTIONS REMAINING INCLUDE HOW TO MEASURE SOCIAL IMPACT, WHO FUNDS SOCIAL ENTERPRISES AND HOW, AND THE DEVELOPMENT OF SOCIAL ENTREPRENEURSHIP PER COUNTRY AND REGION.



José Javier Pérez Barea

DOING GOOD WHILE DOING BAD: A NEAR IMPOSSIBILITY?



Extractive companies may be far from perfect, but nothing is impossible if the industry lets go of its conventional way of thinking and sets the pace for change with consumers leading the way. **Megha Sureshkar** of **ESSEC Business School** explores.

“MINING IS LIKE A SEARCH-AND-DESTROY MISSION” – powerful words by American politician Stewart Udall that sums up the adverse consequences of the dangerous craft. The term search-and-destroy, or simply S&D, takes its roots from Malaysia where it refers to a military strategy in which ground troops are inserted into hostile territory, the enemy hunted and destroyed, and the forces

withdrawn afterward. Only in the case of the extractive industry, companies force their way into the environment, destroy ecosystems and habitats, and leave behind a barren landscape in the place of a once-lush greenery.

THE ESSENTIAL, YET ENVIRONMENTALLY

COSTLY OMNIPRESENT INDUSTRY

An ever-growing global population, never-ending demand for products and steadily increasing living standards are putting more and more strain on the Earth's resources and the environment. Central to satiating this impatient and demanding mammoth consumer



market is the extractive industry – oil, gas and mining – which is being asked to increase production in an uber-challenging landscape and to balance increased production with a strong sustainability focus. However, despite its claims of being sustainability-focused, the extractive industry is overwhelmingly driven by economic rather than environmental or social concerns. To top it off, the industry has a ubiquitous presence. Oil and gas companies have their mark in almost every part of the world (except Antarctica) and provide materials that can be found in nearly every product we use in our daily lives. They are essential to build roads and houses, and to produce cars, computers, phones, and household appliances. But all this comes at a great cost – air and water pollution, habitat disruption, climate change, oil spills, abuse of local communities etc. Moreover, extractive companies operate on a 'take, make and waste' model, built on the assumption that resources are infinite.

HUMAN GREED: THE DRIVING FORCE BEHIND UNSUSTAINABILITY

Development has been synonymous with the notion of 'having more'. Even as we

are nearing close to planetary resource limits, people do not want to let go of their wants. In the 21st century, it has become apparent that human desires have been increasingly given more worth than everything else. It is equally indisputable that the needs of the planet with millions of other organisms living in it and the importance of preserving and protecting them have been belittled in favor of excessive human desires. Human greed has manifested itself in ways that are causing irrevocable damage to nature. But, how exactly does human greed go beyond its justifiable limits? Look no further than an arm-length away for an illustration. Yes, you guessed it right – a mobile phone. Mobile phones have become a luxury statement rather than a necessity nowadays. Each phone is made up of dozens of precious metals from graphite in the battery to silicon in the processor and many of the key technological features wouldn't be possible without these elements. Mining for these precious metals creates devastating spills and produces huge quantities of toxic waste polluting water, damaging ecosystems and harming plants and animals. It is not the consumer usage, but the highly energy-intensive mining and manufacturing processes that are required to transform over 20 elements into the handheld elec-

tronic device that drive the vast majority of a smartphone's annual carbon footprint (85-95%). However, these serious environmental impacts of smartphones are not something that most people consider when they flock to buy the latest model of iPhone. The standout, quirky advertisements of Apple and other phone brands do not tell the grim side of the story. But wait, there is more. Millions of mobile phones are being thrown away every year. Still we are told that we need more, and mining companies go dig up more to make us the products we want. Smartphones have the potential of being used for 5 to 10 years, but we use them only for an average of 12-24 months. Every month, we have new innovative models introduced in the market, tailored for more convenience and glamour. Consumers want faster, newer and better products, and extraction companies and smartphone providers keep giving them what they want. In any case, pleasure and pain are two sides of the same coin. On one hand, we have consumers running after luxury and on the other hand we have indigenous communities whose land and human rights are being completely dismissed by the companies who work to get luxury for the rest of the world. Often, only the former side is visible to us while the latter lies hidden or is ignored. And who flips this biased coin? Those 'indispensable', greed-fed companies.

TWO SIDES OF THE COIN: PLEASURE AND PAIN

Let us continue to explore the idea further and try to retrace the path from consumers' phones in a rich country like Singapore to the deadly extraction process that takes place in one of the poorest countries of the world, Congo, which also happens to be one of the landscapes with the richest mineral deposits. Take a metro ride for a couple of stops in Singapore and we can witness the penetration of mobile phones in the society. Almost all passengers, irrespective of age, are glued to their smartphones, eyes cast downward and fingers busy gaming or scrolling through Facebook or WhatsApp. Greenpeace and We Are Social Singapore have few interesting statistics. Since their 2007 release, about 7.1 billion smartphones have been produced globally and Singapore has had its fair share of users – the country boasts of 4.27 million smartphone users that account for 91% of its population. Because

of the profound diffusion of smartphone technology, it has become super easy to be connected and entertained. But, at whose expense? We have been looking at only the consumer side of things. What about production? At the very same moment when ecologically short-sighted consumers are busy clicking away on their phones and are sunk in the oblivion of unawares, workers employed by extraction companies in Congo are experiencing appalling, slave-like conditions as they mine for minerals to ensure that there is an unlimited supply of technologies. Thousands of miners, including children, dig by hand. As per a report by the German NGO RESET, workers as young as 10 years old make an average of 1 USD a day working in terrible environments devoid of health or safety standards, digging up materials such as cobalt, tin and tungsten that goes into the production of smartphones. Deaths, injuries, breathing problems and birth defects are commonplace.

NARROWING THE INTENTION-ACTION GAP

Extractive companies are nowhere close to being sustainable and will continue to be so unless the demand that drives them to exploit ruthlessly diminishes. Till then, companies will engage in greenwashing while continuing to drill for oil in the Arctic or minerals in Congo. On the consumer side, for most people, climate change remains a

“ Despite growing awareness, ethical consumerism is still a niche market and a frustrating paradox remains. ”

relatively abstract problem that might have little impact on their lives and may happen in the distant future to polar bears. People downplay distant problems or those that haven't affected their immediate family or friend circle. Many consumers, especially Millennials, say that they want products that are sustainable. Despite growing awareness, ethical consumerism is still a niche market and a frustrating paradox remains. Consumers who advocate the use of eco-friendly products and services do not follow through with their wallets or more modest demands. Going back to our previous example of smartphones – why won't people stop going after new products and succumbing to nomophobia despite knowing their adverse social and environmental costs? Sure, such devices look great and greet you with an endless mix of articles, emails and posts

throughout the day, but the self-enforced isolation that they cause creates an adverse impact on our social development and reduces our empathetic capacity. Awareness alone is not enough. Empathy and compassion are what drives change. Narrowing this intention-action gap is therefore very important to decelerate demand for extractive product categories.

CONSUMER BACKLASH: THE ONLY SOLUTION

Almost all extractive companies have a business model that is inherently unsustainable and environmentally destructive. Their only effort at sustainability is the occasional philanthropy, which plays a marginal role in the strategy of the companies. Consumers should see right through this facade. But catching the attention is not enough, consumers should act. There should be a global abandonment of consumer selfishness – the feeling of “I am what I have”. Only then would product advertisements stop playing on people's needs for ‘false’ security and inadequacy. Only then would the few who run the extractive industry stop exploiting human nature – desire. It is the consumers who hold the key to put a stop on their own infinitely expandable desires. They should revolt against the unethical practices of the industry, but first, they must ‘walk the talk’. Instead of dismissing their own responsibilities of shaping a sustainable demand and leaving the duty to the production bodies, consumers should initiate change, develop compassion and shift their thinking to “I am what the planet has”.

GOING CIRCULAR: MAKE SIMPLE, BUY LESS, MAKE IT LAST

Shift in consumer thought process will force extractive companies to be sustainable and if they still hold onto traditional practices, there is the last arrow in the quiver – pressure from regulation. If consumer pressure does not move the companies, people can go to their respective governments – ignite the collective ire and make their voices heard. Governments can then enforce the circular economy concept to companies and demolish the ones that don't adhere. Grants and governmental aid can be made available according to the degree and pace of



implementation of circularity. But how can an extractive company that engages in, say mining, play a critical role in a circular effort? As the primary source of minerals, the mining sector can influence downstream production processes to ensure that products are designed and produced in such a way that makes it easy to separate the minerals upon disposal, thus making their recycling and reuse a simple process. Mining companies can work directly with manufacturers to come up with modular approaches to design and development. In the case of smartphone production, this could mean designing a device with separated blocks attached to a main board. This way, the lifespan of the smartphone can be extended as different blocks could be upgraded or repaired easily without the need to replace the entire device, thereby reducing wastage and demand for further exploitative activities. By changing the way we ourselves as consumers buy and reuse smartphones, the unsustainable trajectory of smartphones can be transformed into something sustainable. It all starts with us, consumers. And this is just one example of a product.

CLEAN UP DURING AND AFTER

Government regulations can make restoration processes mandatory and ensure that companies take full responsibility to restore the landscape of the region subjected to extraction. When extractive activities cease in an area, restoration processes must be completed by the concerned company. In fact, reclamation can begin while extraction is still occurring in another area of the mine. Thus, mining and restoration can go hand in hand throughout the life of a mine. The government should make sure it supervises these efforts.

NEAR IMPOSSIBILITY IS POTENTIAL

Sustainability will never come naturally to extraction. Getting from today's grim reality to tomorrow's sustainable industry is definitely an exceedingly difficult task, but with time, effort and heart, what may seem impossible can become possible. But, given the long lead time for projects in the industry, consumers need to drive the change TODAY. As such, through their demand, companies

would get started to set a vision and actively follow the path to sustainability. Extractive companies may be far from perfect, but nothing is impossible if the industry lets go of its conventional way of thinking and sets the pace for change with consumers leading the way.



Megha Sureshkar

KEY TAKE AWAYS

THE EXTRACTIVE INDUSTRY HAS LEFT ITS MARK IN ALMOST EVERY PART OF THE WORLD AND PROVIDE MATERIALS THAT CAN BE FOUND IN NEARLY EVERY PRODUCT WE USE IN OUR DAILY LIVES.

DESPITE ITS CLAIMS OF BEING SUSTAINABILITY-FOCUSED, THE EXTRACTIVE INDUSTRY IS OVERWHELMINGLY DRIVEN BY ECONOMIC RATHER THAN ENVIRONMENTAL OR SOCIAL CONCERNS. MOREOVER, EXTRACTIVE COMPANIES OPERATE ON A 'TAKE, MAKE AND WASTE' MODEL, BUILT ON THE ASSUMPTION THAT RESOURCES ARE INFINITE.

AN 'ALWAYS BUY MORE' APPROACH HAS LED TO OVERCONSUMING WITHOUT TAKING INTO ACCOUNT THE NEGATIVE EFFECTS ON COMMUNITIES AND THE PLANET (EX: MOBILE PHONES WITH ENERGY-INTENSIVE MINING AND MANUFACTURING PROCESSES THAT RAVAGE THE ENVIRONMENT AND ACCOUNT FOR 85-95% OF A SMARTPHONE'S ANNUAL CARBON FOOTPRINT).

POWER LIES WITH THE CONSUMER: THERE SHOULD BE A GLOBAL ABANDONMENT OF CONSUMER SELFISHNESS - THE FEELING OF "I AM WHAT I HAVE".

REGULATIONS CAN ALSO PLAY AN ESSENTIAL ROLE: GOVERNMENTS CAN ENFORCE THE CIRCULAR ECONOMY CONCEPT TO COMPANIES, AS WELL AS OFFER GRANTS AND GOVERNMENTAL AID ACCORDING TO THE DEGREE AND PACE OF IMPLEMENTATION OF CIRCULARITY.

INNOVATION AND LETTING GO OF CONVENTIONAL PRACTICES ARE IMPORTANT: MINING COMPANIES CAN WORK DIRECTLY WITH MANUFACTURERS TO COME UP WITH MODULAR APPROACHES TO DESIGN AND DEVELOPMENT TO REDUCE WASTE AND DECREASE THE HARMFUL IMPACT ON THE ENVIRONMENT.

THE ENVIRONMENTAL AND SOCIAL SUSTAINABILITY OF SOCIAL ENTREPRENEURSHIP



Yuqian Li, MSc in International Management student at **Trinity Business School**, Trinity College Dublin, takes the social and environmental challenges the world is facing and shows how social enterprise is a key player in providing innovative solutions.

ACCORDING TO Zimmer and Pearson (2018), social entrepreneurship has the ability to make changes on the environment and society all over the world. In order to achieve sustainability, social entrepreneurs such as the profit-based organizations, non-profit organizations and mixed companies adopt newly styled market-oriented ap-

proaches to solve environmental and social issues. Due to the fact that society develops over time, the practical issues involved become more complicated regarding the environment, population growth, living conditions, new technology and skills and training for the usage of new technology.

OVERALL ENVIRONMENTAL ISSUES: GLOBAL WARMING AND CLIMATE IMPROVEMENT

Under these circumstances, Buhre (2019) reported that there are various environmental issues to be considered for social entrepre-



neers to achieve sustainable businesses all over the world. Based on a survey conducted by the NASA, approximately 73 percent of people from the U.S. held the view that global warming has worsened. As such, the U.S. government has launched new green legislation for climate improvement to strive to reduce the emission of carbon dioxides in the coming years. In addition, people and companies from not only America but also all over the world have decided to make efforts for both protecting the environment and contributing to society, thereby enhancing the importance of environmental and social sustainability of social entrepreneurship.

OVERALL SOCIAL ISSUES: POPULATION GROWTH, LIVING CONDITIONS AND NEW TECHNOLOGIES

In addition, Zimmer and Pearson (2018) mentioned that there are also social issues especially regarding the fast population growth around the world which is causing the unemployment rate to rise, an increase in poor living conditions and the way that people use technologies to improve their quality of life. Besides that, another issue is the creation and innovation of new technologies. It is essential for social entrepreneurship to attempt and take the risk to be innovative, no matter which industries they are positioned in. For example, areas such as education, medical care and engineering should be the focus of very high interests on innovation.

SOLUTIONS: SUSTAINABLE CLEAN ENERGY AND NEW TECHNOLOGIES FOR AN IMPROVED TRANSFER OF RESOURCES

As such, Zimmer and Pearson (2018) assert that social entrepreneurs have the capabilities to generate brilliant new ideas and solutions for the market. For instance, sustainable clean energy such as clean water, solar power and types of new technologies can be used to transfer resources into better usages.

Here are some cases to support the views mentioned above. Initially, Buhre (2019) presented an example of using solar power to provide electricity to the rural areas of Malawi, conducted by social entrepreneurship through innovative equipment and financially supported by the UK government. By committing to the construction of the project, the key objective of the practice

was not only to offer techniques but also to enhance the lives of the local citizens. This project changed the living conditions since there were only 2 percent of the people who were able to use electricity and most of the rest in the country had to use traditional fires to generate energy. Thanks to the usage of solar power as a sustainable energy, the young generations begun to establish their own businesses and it also increased the academic performance of the local students.

Furthermore, based on Buhre (2019), United Nations reports showed that there were around 30 to 40 percent of food waste worldwide each year. More seriously, due to the fact that there was a short storage policy for bread in the UK market, about 34 to 44 percent of loaves are thrown away by stores. Hence, another case mentioned by Buhre (2019) introduced a technical recycled beer factory, modelled from a Belgian company and built by an environmental protector in UK through transferring unused and surplus bread into beers. At the same time, the profits from this project were all donated to environmental charity for the purpose of researching waste recycling and supporting training and campaigns.

Moreover, Buhre (2019) cited a case which happened to a traditional island with an ancient fishpond founded 800 years ago in Hawaii. Because of a flood in 1960s, the fishpond was ruined in until a non-profit organization came out to save it. The NGO fed the fish through traditional aquaculture methods in order to achieve sustainability. Meanwhile, the fish were sold on the local market and the fishpond was allowed to



ENVIRONMENTAL

open to tourists for fishing purposes. In addition, the NGO cooperated with the local schools and universities to offer internships for students so that they could be trained in the administration of the fish pool.

THE SOCIAL SOLUTIONS: PROVIDE JOB OPPORTUNITIES AND IMPROVE LIVING CONDITIONS THROUGH SUSTAINABLE TECHNOLOGIES

Apart from environmental solutions, there are still various social solutions for social entrepreneurship to accomplish sustainability. Buhre (2019) noted that based on research from the West Virginia University, the unemployment rate for the coal industry of a state in the U.S. increased by 27 percent over the decade from 2005 – the lowest employment rate in the country. Since it was traditional for the local people to feed bees, a non-profit organization offered training programs for the unemployed coal workers to learn how to feed bees in a sustainable manner. By using natural feeding technologies to keep the bees, social entrepreneurs provided job opportunities for the workers and received positive feedback from them since they improved the living conditions of the workers through sustainable technologies.

What is more, Buhre (2019) also pointed out another social example reported by the CNBC Africa and mentioning the fact that only 16 percent of Rwandan citizens had the capability to access electronic networks even though 60 percent of them possessed mobile phones. Under these conditions, social entrepreneurship in the country begun to generate solutions through offering low-cost sustainable electricity and networks for rural areas. Since the people in the country were not rich, the organization helped them to make money through franchised kiosks generated from the solar power. A similar project was managed in Uganda with the aim to explore more markets in the whole of Africa due to high demand. As can be seen in social practice, by adopting new sustainable technologies, the lives of local people have been deeply improved, thereby solving some significant social issues for these countries.

CONCLUSION

To conclude, to answer the question of the ways that social entrepreneurship has become more sustainable, the two key aspects of environmental and social sustainability should be emphasised. Furthermore, environmental and social solutions have been provided to offer solutions to the issues faced by the public. When it comes to environmental issues, the main points are global warming and climate improvement with solutions using sustainable clean energy and new technologies to transfer resources into better forms. As for social issues, population growth, living conditions and technologies have been taken into consideration with solutions of providing job opportunities and improving the lives of people by using sustainable technologies.



Yuqian Li

KEY TAKEAWAYS

IN ORDER TO ACHIEVE SUSTAINABILITY, SOCIAL ENTREPRENEURS SUCH AS PROFIT-BASED ORGANIZATIONS, NON-PROFIT ORGANIZATIONS AND MIXED COMPANIES ADOPT NEWLY STYLED MARKET-ORIENTED APPROACHES TO SOLVE ENVIRONMENTAL AND SOCIAL ISSUES.

DUE TO THE FACT THAT SOCIETY DEVELOPS OVER TIME, THE PRACTICAL ISSUES INVOLVED BECOME MORE COMPLICATED REGARDING THE ENVIRONMENT, POPULATION GROWTH, LIVING CONDITIONS, NEW TECHNOLOGY AND SKILLS AND TRAINING FOR THE USAGE OF NEW TECHNOLOGY.

FAST POPULATION GROWTH AROUND THE WORLD IS CAUSING THE UNEMPLOYMENT RATE TO RISE, AN INCREASE IN POOR LIVING CONDITIONS AND THE WAY THAT PEOPLE USE TECHNOLOGIES TO IMPROVE THEIR QUALITY OF LIFE.

THERE IS 30 TO 40 PERCENT OF FOOD WASTE WORLDWIDE EACH YEAR, AN EXAMPLE BEING IN THE UK WHERE THE SHORT STORAGE POLICY FOR BREAD IN THE UK MARKET ENGENDERS 34 TO 44 PERCENT OF LOAVES BEING THROWN AWAY BY STORES.

HOWEVER, THERE IS AN INCREASING TREND FOR SOCIAL ENTREPRENEURS TO PROVIDE CREATIVE AND INNOVATIVE SOLUTIONS TO REPLY TO THE URGENT NEEDS BROUGHT ABOUT BY ENVIRONMENTAL AND SOCIAL ISSUES.



SOCIETY

THE DIGITAL DIVIDE AND THE PERFECT INEQUALITY STORM



Many blamed digital technologies in the past for separating us from each other; today everyone recognizes them as the tool keeping us together. But is that true for everyone? What of those without access to high speed internet? Prof. **Concepción Galdón**, Director of the **IE Center for Social Innovation**, explores.

With kind acknowledgements to IE University

THE STRUGGLE AGAINST Covid-19 has confined close to three billion people around the world in our homes as we speak. Children cannot go to school, nor can their

parents go to work. Senior people who live alone cannot receive visits from their families. However, thanks to the internet, the school can go to the children and adults can

continue to work online.

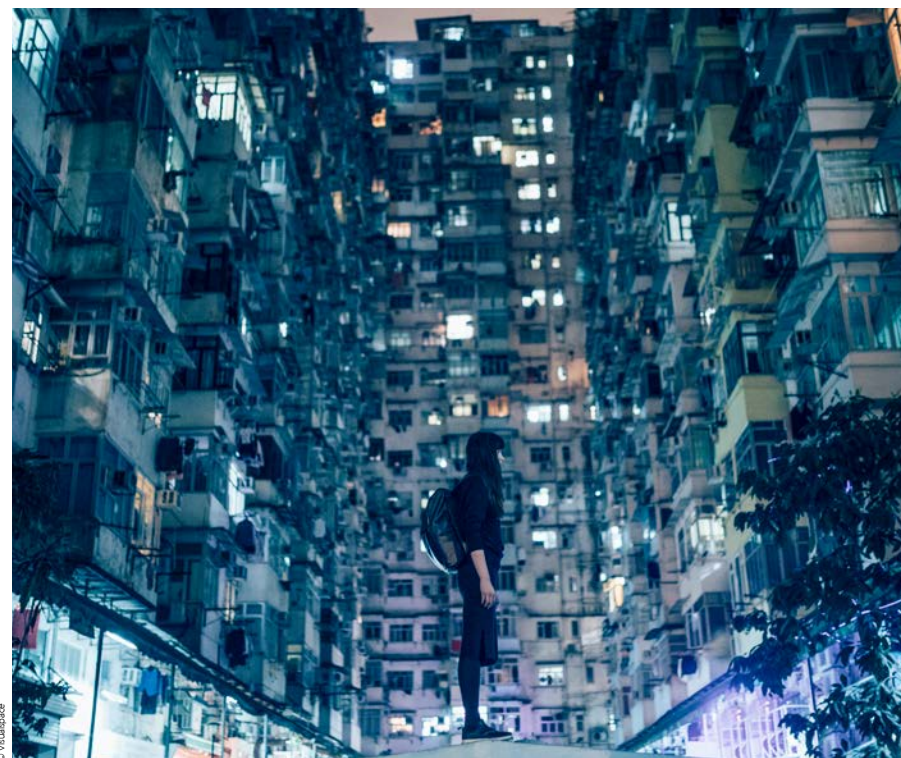
LinkedIn is packed these days of articles about the glories of teleworking and online

“
As we become
so fond of
teleworking and
remote education,
let us not forget
the millions of
people for whom
neither is an option.
”

than 65 does. Forty-seven percent of Spanish seniors are not receiving video calls from family members nor can they access critical services online.

ADDED TO THE DIGITAL DIVIDE

The literature has consistently found a correlation between technology use (i.e., internet access, computer ownership) and income. Richer families have more access to technology and, thus, can work remotely and their children can access education remotely, more prevalently than poorer families. Moreover, better paying liberal professionals' jobs adapt better to remote working than lower-skilled jobs do. Thus, people who are already making more money are more likely to keep their jobs during confinement while people who are making less money are more likely to lose their jobs.



classes. According to the authors, one of the main changes that this crisis will bring about is a normalization of remote working and, thus, an improvement of work-life balance.

Besides, children are becoming ever more acquainted with new technologies. Thanks to video conferencing, they can “visit” their grandparents and keep them company. Many blamed digital technologies in the past for separating us from each other; today everyone recognizes them as the tool keeping us together. Thanks to the internet, our lives keep moving on even in these most challenging circumstances. Unfortunately, not everyone has access to high-speed internet nor can everyone do his or her job online.

BUT NOT EVERYONE

In 2018 almost 95% of the population in the UK used the internet, according to World Bank Data. During the same year, in Peru, only 55% of the population used the internet, and barely 14% did so in Zambia. The digital divide between rich and developing countries limits the ability of poorer countries to take advantage of technology-based opportunities as they confront the crisis, exacerbating inequality between nations.

Now, let us consider the analysis within countries. Because the numbers previously

mentioned are averages and, following the paradigmatic example, if I eat a whole chicken and you eat none, the average will not reflect your situation and mine very well. Taking Spain as an example, we see that our national internet use average is 90%, as of the end of 2019. This means that today 10% of the Spanish population is in almost absolute isolation. To make things worse, this 10% is not distributed randomly among the population but, just like in the case of countries, it is higher among more vulnerable groups.

According to EU data, while 99% of the Spanish population between 16 and 24 use the internet, only 63% of the population older



Taking it to the micro-level, a lawyer whose children attend a private school will probably today be working remotely while her children are studying, each from their personal computer. A hairdresser whose children attend a public school will probably today be unemployed while his children may or may not have one computer for the whole family, which they share.

Confinement added to the digital divide, and pre-existing socio-economic dynamics create a perfect storm to exacerbate inequality. As we become so fond of teleworking and remote education, let us not forget the millions of people for whom neither is an option. Guaranteeing high-speed internet access for all and investing in innovations that grant access to technology to those more vulnerable might be today the single most important thing to do to guarantee that the future of the children that are confined today is just as bright as it should have always been.



Concepción Galdón

KEY TAKE AWAYS

THE STRUGGLE AGAINST COVID-19 CONFINED CLOSE TO THREE BILLION PEOPLE AROUND THE WORLD IN OUR HOMES AND THE MEDIA HAS BROUGHT MANY STORIES TO LIGHT OF ONLINE EDUCATION AND TELECOMMUTING.

HOWEVER, THE DIGITAL DIVIDE BETWEEN RICH AND DEVELOPING COUNTRIES LIMITS THE ABILITY OF POORER COUNTRIES TO TAKE ADVANTAGE OF TECHNOLOGY-BASED OPPORTUNITIES AS THEY CONFRONT THE CRISIS, EXACERBATING INEQUALITY BETWEEN NATIONS.

STATISTICS POINT TO THE AVERAGE NUMBER OF INTERNET USERS PER COUNTRY. IN SPAIN, THIS IS 90% (END-2019), MEANING 10% OF THE POPULATION WAS LIVING IN ISOLATION AT THE HEIGHT OF THE COVID LOCKDOWN.

MOREOVER, THIS 10% IS NOT DISTRIBUTED RANDOMLY AMONG THE POPULATION BUT, JUST LIKE IN THE CASE OF COUNTRIES, IT IS HIGHER AMONG MORE VULNERABLE GROUPS.

47% OF SPANISH SENIORS ARE NOT RECEIVING VIDEO CALLS FROM FAMILY MEMBERS NOR CAN THEY ACCESS CRITICAL SERVICES ONLINE.

THERE IS A CORRELATION BETWEEN TECHNOLOGY USE (I.E., INTERNET ACCESS, COMPUTER OWNERSHIP) AND INCOME.

RICHER FAMILIES HAVE MORE ACCESS TO TECHNOLOGY AND, THUS, CAN WORK REMOTELY AND THEIR CHILDREN CAN ACCESS EDUCATION REMOTELY, MORE PREVALENTLY THAN POORER FAMILIES.

BETTER PAYING LIBERAL PROFESSIONALS' JOBS ADAPT BETTER TO REMOTE WORKING THAN LOWER-SKILLED JOBS DO, MEANING THAT PEOPLE WHO ARE MAKING LESS MONEY ARE MORE LIKELY TO LOSE THEIR JOBS.

HOW COVID 19 SHOWS THAT COMPANIES CAN PLAY A ROLE IN DECREASING DOMESTIC VIOLENCE



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Cécile Guignard, ESSEC Business School winner of the CoBS 2020 student CSR article competition, plunges into the issue of domestic violence, on the increase since the implementation of lockdown due to Covid-19, and asserts that economic slowdown is an opportunity for companies to prepare their policies.

32%. After only 10 days of confinement, French authorities registered a 32% increase in domestic violence reports¹. A worldwide pattern: +50% in Jinzhou (Hubei province, China²), +22% in Seattle. Wherever lockdown is implemented to fight the COVID19 pandemic, domestic violence escalates. In a

context where denouncing a violent partner is even more difficult as he is present, there are reasons to suspect a much higher rise of occurrences of intimate violence. Lockdown adds economic, psychological and logistical pressure on many households. And while it can be a mentally rough time for many of

us, it has dramatic consequences for women in abusive relationships. Trapped in their houses, women are more prey than ever to controlling, abusive and violent behaviors from their partners. This dire situation underscores how social interaction and professional occupation can be life-saving escape



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routes for women suffering from domestic violence.

What is domestic violence? The types of violence women are exposed to are so diverse that one needs to delineate the subject. In this article I decided to focus on a rather common view of domestic violence: every violence (physical, sexual, psychological, economic or administrative) perpetrated on a woman by a partner or an ex-partner. Most of these acts of violence are perpetrated at the victim's or the perpetrator's home (83.2% in France in 2018³) – a figure that is likely to increase during lockdown times. I deliberately chose to exclude children from the scope of my study – although they are particularly at risk when domestic violence takes place in their home, I believe that companies cannot directly address this specific issue. Instead, I want to enhance the various ways businesses can contribute to decreasing domestic violence against women, and particularly against their employees. I also excluded male victims from my study: while it is crucial to give them access to defense mechanisms, I believe that those mechanisms should be conceived with a particular focus on women, who represent the majority of the victims (86% in France in 2017⁴).

WHY COMPANIES HAVE A ROLE TO PLAY IN FIGHTING DOMESTIC VIOLENCE

Companies are often under the spotlight for addressing (or not) gender matters: hiring discriminations, the gender pay gap,

the glass ceiling, sexual harassment at work, etc. – just some of the issues women can encounter throughout their career. But corporate gender policies rarely focus on domestic violence. “Domestic” refers in Latin to what “belongs to the household”, and companies are not households. Furthermore, separating professional and private life is often a challenge in our connected societies and firms don't want to step into their employees' privacy. However, like other workers, employed victims spend the majority of their time at work. Colleagues and bosses often account for most of their social interactions. In addition, as François-Henri Pinault – CEO of Kering and co-founder of the European corporate network against domestic violence – acknowledged: “Every one of us is surrounded by victims”. Indeed, one in three women will be victim of gender-based violence during her lifetime. While this figure encompasses acts of sexual violence perpetrated by non-partners, domestic violence accounts for most of the violence undergone by women, according to a study led by the World Health Organization in 2013. As such, companies cannot turn a blind eye on this domestic violence, as it is highly likely that one or more of their female employees are concerned.

There is a large range of domestic violence, from verbal harassment to femicide⁵, and not all of them have the same seriousness or consequences. However, it is essential to understand that instances of violence are a continuum and that the smallest manifestation of brutality might already be an alarming signal. All these manifestations

have significant consequences on women's physical and mental health: high levels of stress, depression, use of alcohol or drugs, chronic illness, for example. Even cancers or insulin-dependent diabetes can be linked with domestic violence according to the World Health Organization⁶. Moreover, violent spouses sometimes restrict their victims from accessing care. These health issues have concrete consequences for companies: attention deficit, efficiency loss, work interruption. As such, female employees are not always in the best physical and mental shape to perform their tasks, which directly impacts the company's performance. A study funded by the European program Daphne also demonstrated that domestic violence affects a victim's colleagues' work capacity, as they fear for her safety⁷. Overall, violence against women has an estimated economic cost of €228 billion annually⁸. Beyond the firms' civic responsibility as stakeholders of our society, there is a huge business issue in tackling domestic violence.

WHAT COMPANIES CAN DO WITHOUT OUTPASSING THEIR AREA OF COMPETENCY

According to Companies Against Gender Violence⁹, a two-year EU campaign, there are numerous tools firms can implement to protect their employees from domestic violence. These tools can be summed up in three categories: 1) raising awareness at a corporate level, 2) working with all the involved stakeholders, 3) identifying and sup-

porting victims. Depending on its size, not every firm can implement each tool, but it is important that even small organizations try to develop at least awareness campaigns and identify specialists they can refer to if needed.

The workplace is often the only escape from a toxic domestic environment for victims of intimate violence. As such, it might be the sole place where to denounce what they undergo at home. Still, speaking up is everything but easy: many victims are ashamed or afraid of the consequences their confession might have on their professional situation. For women to feel like they are going to be listened to in a careful, non-judgmental way, it is crucial for companies to raise awareness internally. This will both help victims to name their issue and enable colleagues and/or relevant contact persons to know how to respond to their cry for help. In addition, a corporate domestic violence policy must be instated, either stand-alone or included in other health- or gender-related policies. This policy has to plan both emergency protocols and awareness campaigns. The latter can take various forms: stickers and booklets in common areas, e-learning modules to be followed by every new employee, learning expeditions with relevant associations, etc. The PSA Group, for example, trained 150 managers on domestic violence and organized a photographic exhibition on the subject in its main logistical factory¹⁰.

In developing protocols and campaigns, businesses will need the support of all stakeholders. Indeed, companies often can-

not offer themselves the necessary support to a victim of intimate partner violence, and will need to rely on specialists – practitioners, public institutions, women associations, legal experts. These specialists can also provide training sessions as part of the awareness campaigns. It is shown that victims are more prone to reveal what they undergo after having taken part in such sessions¹¹. On the other hand, developing partnerships is also key to stakeholders who need corporate financial support and access to otherwise unreachable victims. Businesses are also potential employers of violence survivors that stakeholders work with. In Spain – a country known for having decreased the number of feminicides by 33% since 2003 – a consortium of public and private organizations enabled the reinsertion of 1,426 women in four years¹². Employing women is recognized as one of the most efficient means to help them get out of and recover from abusive relationships according to the Istanbul Convention, an international treaty on gender-based violence¹³.

HOW COMPANIES CAN SUPPORT VICTIMS... AND PERPETRATORS

Once the victims feel comfortable enough to reveal their situation, they should be able to do so: anonymous mailboxes, informative apps and identified contact persons are necessary. These contact persons should be aware of both corporate and external solutions that exist in order to help in the best possible manner. Victims don't always

“**Social interaction and professional occupation can be life-saving escape routes for women suffering from domestic violence.**”

appear as such – bruises are easy to hide, and behavioral issues may remain unnoticed. Colleagues must be able to speak out as well, and greater care ought to be then taken by managers when asking the suspected victim about her situation and handling the situation with her team. Brussel's public hospitals had a brilliant idea on the matter: they developed prevention plans for every “personal issue” their employees could encounter. The spectrum of issues being so wide, women can go to consult psychologists without revealing the specific matter to their colleagues.

Supporting a victim involves various means, depending on her situation and necessities: some women will need financial support, others logistical solutions like housing, time or psychological aid. The help given must always be tailored to the woman's requisites and bear no judgment. There are so many valid reasons for a woman to stay with a violent partner: financial pressure, psychological dependence, children among them. Extreme situations cannot always be solved by her escaping from home. However, in such cases, employers can provide support in many ways: changing the employee's work contact details and (when necessary) location, alleviating her work schedule, or helping her fund childminding or find a new place. The French company Orange focuses on the latter. The “Housing Action Plan” enables staff members suffering domestic abuse to find housing safely and quickly. Special reinsertion policies (like those implemented after a burn-out) and financial support may also be significant for women for whom losing a job means becoming totally dependent on their partner. Finally, there is a need for trained specialists in the workplace (doctors, caseworkers, psychologists) or for partnerships with occupational physicians when the company cannot afford or doesn't need a full-time health expert.



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What about perpetrators? Although a disturbing subject, the case of aggressive partners must be addressed as well. The Istanbul Convention highlights the need for detection, prevention and care of both victims and perpetrators¹⁴. Like victims, violent spouses often work (albeit domestic violence is correlated with unemployment) and mechanisms exist that can help them withhold their aggressive impulses. Again, working together with specialized organizations is key: the rapists can support (potential) perpetrators through recognizing and channeling their inner violence, finding ways of expressing themselves positively and identifying the significance of safe spaces. Dedicated centers can offer adequate treatments and prevent relapse. The Fundamental Rights Agency tackles the lack of such structures¹⁵, which could benefit from corporate funding. If taking care of victims is the priority, attention must also be given to their persecutors.

BACK TO COVID-19: HOW IT HIGHLIGHTS WHAT WE ALREADY KNOW

The Covid-19 pandemic emphasizes that more than anything, victims of intimate partner violence need safe spaces outside of their houses. They might not escape from the relationship – because they cannot, do not want to or if the violence is perpetrated by an ex-partner. But they need external support. Professional interactions, sometimes being the only possible social relationships, are essential for the victims to have a space to relax, confess or acknowledge that they are facing an issue.

While exploring how businesses can help decrease domestic violence, we find that many tools can be implemented remotely: the economic slowdown could be an opportunity to plan an awareness campaign or work on a corporate policy for gender-based issues. Email addresses and Intranets remain available for sharing messages and occupational psychologists are more than ever to be identified. And why not use the staff's potential downturn in activity to have them follow an online course on domestic violence? Companies, and managers also bear the responsibility of checking on their female subordinates, who might be having a hard time at home.

As for the end of the pandemic, acts of violence are not going to cease with lockdown. Rather, one can fear an ongoing rise in the aftermath of the crisis. With the loss of their jobs, the financial pressure that comes with it and the strong impact confinement can have on mental health, women will remain at risk. Companies have a responsibility in acting now – and afterwards.



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KEY TAKE AWAYS

WHEREVER CONFINEMENT IS IMPLEMENTED, FROM CHINA TO FRANCE, DOMESTIC VIOLENCE HAS ESCALATED.

COMPANIES HAVE A FINANCIAL INTEREST IN DECREASING DOMESTIC VIOLENCE WHICH AFFECTS THEIR EMPLOYEES' PRODUCTIVITY AND HAS A SEVERE ECONOMIC COST.

THERE ARE SEVERAL WAYS BUSINESSES CAN FIGHT DOMESTIC VIOLENCE: RAISING AWARENESS AT A CORPORATE LEVEL, WORKING WITH ALL THE INVOLVED STAKEHOLDERS AND IDENTIFYING AND SUPPORTING VICTIMS.

ALTHOUGH VICTIMS REQUIRE MORE SUPPORT AND ATTENTION, BOTH VICTIMS AND PERPETRATORS NEED TO BE TAKEN CARE OF.

THE INCREASE IN THE OCCURRENCE OF DOMESTIC VIOLENCE WILL NOT END WITH LOCKDOWN. COMPANIES CAN USE THE ECONOMIC SLOWDOWN AS AN OPPORTUNITY AND PREPARE TO TACKLE THIS ISSUE.



Cécile Guignard

TIMES HAVE CHANGED



Time to follow
@The_CoBS

COVID-19: THE VIRUS OF SOCIAL DISTANCING AND HUMAN CONNECTION



Fatima Alam, Warwick Business School, analyses the impact, lessons and opportunities that the Covid crisis presents for people and the globalised economy.

IF YOU ARE READING this article in the year 2020 or even if the year is further ahead in time, you would probably remember that year as the time in which terror gripped the world and shook it to a standstill. The C word (Coronavirus) was probably the most commonly used word of the time. I am writing this article in the midst of this global pandemic, which initially sparked off as an epidemic constrained to the borders

of China but gradually transformed into the deadliest propagator of contagion, fear and more importantly, the hardest-hitting global recession.

RESTRUCTURING GLOBAL BUSINESS IN RECESSION

Tracing back the roots of the origin and

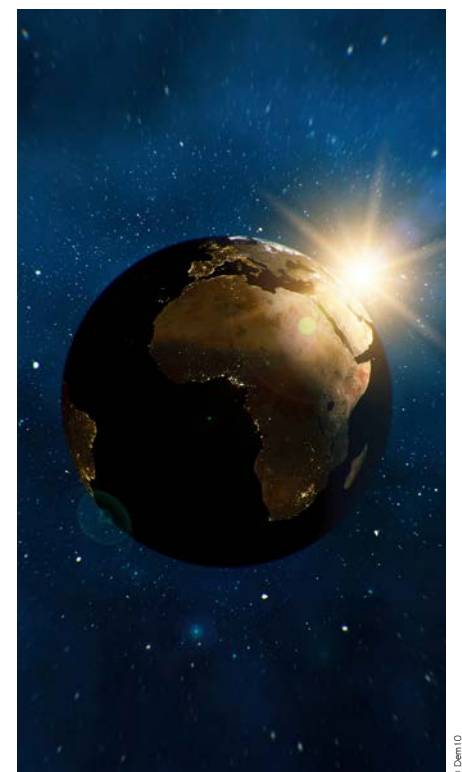
nature of the virus, it is sufficiently easy to connect the dots and realize the contributing role of the global economy in exacerbating the spread of it. While globalization has fuelled our world economy into the connected and unified system that expands businesses and generates larger revenues, the internationalisation of trade and business has also caused the unprecedented spread of the virus into the global pandemic that it has



needs to be measures and resources directed towards the worst possible situation, in which the business fails to accomplish any revenue at all and consistently falls under the margin of zero revenues. There needs to be sufficient money devoted to those quarters in which the businesses are performing at their lowest capability. A possible recommendation of following a zero-revenue model would be conducted a PESTEL analysis of the business, which holistically examines all the macro factors, political, economic, social, technological, environmental and legal factors that could play a role in shaping the business or affecting certain outcomes.

WHEN GLOBALIZATION GIVES POSITIVELY

Another way in which globalization has influenced the control of the COVID-19 outbreak is noticeable in the immense powers of public policy. There has been profound pressure on various government officials, health practitioners, workers in the medicine industry while combating this virus. However, globalization has made possible the deployment of knowledge and expertise across borders. Governments across nations are following suit and taking inspiration from various facets of policy of other nations. When Italy reported a deluge of cases and officially announced a lockdown of the



become today. Not only does globalization play a role in aggravating the health crisis, but there is also a reverse causality that can be established. The COVID-19, as it is scientifically identified, has shackled the global economy. The political, social and economic players of the world have predicted a far worse economic recession than the global financial crisis of 2008. In a situation where media-induced panic and wide-spread reports of analysis and predictions of negative outcomes arising of this pandemic are prevalent, it is absolutely crucial for businesses all over the world to step back and reflect on the value propositions provided by their products and services. While the Corona pandemic is probably the most detrimental factor in shrinking the global economy into stagnation through the lockdown of the world, businesses can bounce back from this negative experience through reframing the situation and experience in their favour. The COVID-19 outbreak provides the perfect opportunity for all business organizations to rethink and innovate their fundamental models of operations. Although there are inevitable costs and losses to be incurred as a consequence of supply chain disruptions, international border complications and lack of consumer demands, the rising availability of technology in the current age of digitisation can prove to be a saviour.

WHEN WORST-CASE SCENARIOS REDUCE RISK

On the one hand, businesses with a predominantly customer-interface model are facing difficulties in developing and main-

taining the essence of the 'human connection' that is integral to their core values and mission. On the other hand, some businesses have found it particularly convenient to transition online. Organizations in the technology industry have been identified as experts who can leverage their technical know-how in combating the challenges faced by this pandemic. While most governments and public speakers across the world are substantiating on the concerting global effort to focus on flattening the curve through efforts of social distancing, the narrative should also accommodate the duality of the epidemic curve with the learning curve, a model inversely relational to the former concept. While the crisis has etched out all loose ends and generated world-wide pandemonium, ironically in a world that has been silenced to a standstill, there are a number of lessons to be learned from this global pandemic. The globalization-fuelled competition between different industry players had a consequential impact on the ways in which we conducted business. An important focus in business-planning is preparing revenue models in accordance with the different possibilities that can arise out of future situations. This foreseeing of changes in the near future and equipping the organization with sufficient resources to prepare for any scenario is called contingency planning. Human beings have a psychological proclivity of avoidance of the extreme-worst case scenario. This could be a possible explanation as to why businesses do not incorporate a zero-revenue model while executing their contingency planning. The deepest and most significant lesson to be learned from the COVID-19 outbreak is that there



ways of working through these challenging barriers will enable us to emerge from this storm. The stimulation of the global economy through various economic tools and strategies, of interest rate cuts, fiscal stimulus packages, liquidity injections among others, will revive the economy into functioning normalcy. The COVID-19 pandemic will give foundational learning insights of catering the global economy in accordance with the situational context of the time. There are going to be inevitable blows caused to the economy. However, like every global recession cycle of the past, the contraction of gross domestic product is followed by an upturn in economic activity. We will definitely emerge from this pandemic as wiser and more conscious consumers and the global economy will return to normalcy.

whole nation to curb further spread, most governments adopted the same model in their own nations. The global economy, with the support of efficient channels of communication, has made possible measures of precautions and facilitating aid amongst different governing bodies across the globe. The Finance Minister of India, Nirmala Sitharaman, announced a 1.7 lakh crore initiative targeted towards distributing resources and helping the poor in the country, who cannot access the same privilege of meeting their rudimentary survival needs. In America, the Senate approved of a \$2 trillion economic relief package, which includes relief from unemployment through insurance, business loans and increased health-care resources.

daily human needs and it is fascinating to note the fluctuating rise and fall in prices of stocks through the various companies' shares that are listed in the stock exchange. With airline companies being severely affected, the fast-moving consumer goods sector has witnessed a sharp increase, through the obvious impact of panic buying. The crisis sheds human beings of their rational economic logic and epitomises the need for human survival, lost in the race of the fulfilment of our needs. The virus is representative of the human reliance on the global economy. Our fundamental course of survival is directly reliant on the production of goods and services in this globalized world. While the virus has pushed us back into our lockdown modes, it is important to remember that the malfunctioning of the global economy is the root cause of our panic, frustration and fear. Through the overemphasis of social distancing and isolation being driven through media channels, human connection has resisted and survived. The trending pattern of appreciating the healthcare workers by ordinary citizens coming out in their balconies and clapping, the global economy reminds us of our similarities across nations. There are recurring threads of similar actions adopted across the world. It is enlightening to witness the humanity that spurs out in times of crisis. The convenient exchange of research insights of doctors, medical experts and researchers of COVID-19, has tangibly resulted in cross-functional teams, with diverse insights and perspectives on fighting the pandemic.



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Our fundamental
course of survival
is directly reliant
on the production
of goods and
services in
this globalized
world.
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CRISIS: SURVIVAL, HUMANITY, INNOVATION

This global crisis drives home the essential point, which is mobilisation of resources are possible in times of immediate need. The global economy meets the trajectory of our

Although the COVID-19 pandemic has shoved our global economy into recession, the widespread conveyance of innovative

KEY TAKE AWAYS

GLOBALIZATION HAS FUELLED OUR WORLD ECONOMY INTO THE CONNECTED AND UNIFIED SYSTEM THAT EXPANDS BUSINESSES AND GENERATES LARGER REVENUES, BUT IT ALSO CAUSED THE UNPRECEDENTED SPREAD OF THE VIRUS INTO THE GLOBAL PANDEMIC.

GIVEN FOR THE IMPACT OF THE PANDEMIC, NOTABLY ECONOMIC RECESSION, IT IS CRUCIAL FOR BUSINESSES TO STEP BACK AND REFLECT ON THE VALUE PROPOSITIONS PROVIDED BY THEIR PRODUCTS AND SERVICES.

THE COVID-19 OUTBREAK PROVIDES THE PERFECT OPPORTUNITY FOR ALL BUSINESS ORGANIZATIONS TO RETHINK AND INNOVATE THEIR FUNDAMENTAL MODELS OF OPERATIONS AND THE INCREASING AVAILABILITY OF TECHNOLOGY IN THE CURRENT AGE OF DIGITISATION CAN PROVE TO BE A SAVIOUR.

AN IMPORTANT FOCUS IN BUSINESS-PLANNING IS PREPARING REVENUE MODELS IN ACCORDANCE WITH THE DIFFERENT POSSIBILITIES THAT CAN ARISE OUT OF FUTURE SITUATIONS, BUT THERE NEED TO BE MEASURES AND RESOURCES DIRECTED TOWARDS THE WORST POSSIBLE SITUATION, IN WHICH THE BUSINESS FAILS TO ACCOMPLISH ANY REVENUE AT ALL AND CONSISTENTLY FALLS UNDER THE MARGIN OF ZERO REVENUES.

A POSSIBLE RECOMMENDATION IN FOLLOWING A ZERO-REVENUE MODEL WOULD BE CONDUCTING A PESTEL ANALYSIS.

THE COVID CRISIS HAS EMPHASIZED THE IMPORTANCE OF PUBLIC POLICY AND GLOBALIZATION HAS MADE POSSIBLE THE DEPLOYMENT OF KNOWLEDGE, MEDICAL RESEARCH AND EXPERTISE ACROSS BORDERS.

THE GLOBAL ECONOMY, WITH THE SUPPORT OF EFFICIENT CHANNELS OF COMMUNICATION, HAS MADE POSSIBLE MEASURES OF PRECAUTIONS AND FACILITATING AID AMONGST DIFFERENT GOVERNING BODIES ACROSS THE GLOBE.

OUR FUNDAMENTAL COURSE OF SURVIVAL IS DIRECTLY RELIANT ON THE PRODUCTION OF GOODS AND SERVICES IN THIS GLOBALIZED WORLD.

THE CRISIS HAS HIGHLIGHTED THE POSITIVE SIDE OF HUMAN BEHAVIOUR IN GESTURES OF SOLIDARITY AND HUMAN CONNECTION HAS RESISTED AND SURVIVED.

PEOPLE WILL EMERGE FROM THE PANDEMIC AS WISER AND MORE CONSCIOUS CONSUMERS.



Fatima Alam

(DON'T) FIGHT FIRE WITH FIRE: HANDLING CRISES ONLINE



Prof **Edgard Barki** and business consultant **Clémence Vignal Lambret**, of **FGV-EAESP** and SciencesPo, demonstrate that emotional intelligence can help firms save face when confronted with netizen reactions on social media.

From the paper Social media crisis management: Aligning corporate response strategies with stakeholders' emotions online, Wiley.

THE RISE OF SOCIAL MEDIA has given a platform to individuals to express their views—good, bad, or just plain ugly—in ways unimaginable before the rise of the world wide web. The interconnected mesh of users on social media allows not only the voicing of personal opinion but also

the amassing of this opinion to set trends – that is, 'influence' the debate. So much so, that these 'influencers' are able to charge anywhere from between four to six-figure dollar amounts per social media post as part of what is known as influencer marketing. Given how social media has proven itself to

be capable of affecting the outcome of a US presidential election, it is well worth considering this soft power's effects on companies who are willing to pay an arm and a leg to project and preserve a favourable online presence.



average having at least one online account—has radically altered how companies and stakeholders communicate with each other. To this end, these challenges have been deemed important enough to be properly addressed via the firm's corporate communication strategy, the efficiency of which is impacted by social media. While various strategies exist, they have effectively been clubbed into two that are relevant to the study—accommodative and defensive—and linked with the dynamics of stakeholder emotion.

GAME THEORY

This takes into account the best response strategy, based on the width of the reputational threat—the interplay between the origin of the crisis, the extent of responsibility and of course, stakeholders' emotions.

This is used to form a framework, which helps to determine whether to use an accommodative response—generating, improving, developing reputational assets by compensation, symbolic or material, to the stakeholders. By contrast, the defensive strategy aspires to either detach the organisation from the crisis or reduce the role of the organisation in the given crisis.

Stakeholders' emotions are arranged in relation to the extent of reputational threat. As such, this spectrum includes less negative emotions such as sympathy and sadness to fright and anger which lie on the more negative end of the spectrum.

Consider Volkswagen which, following the revelation of its vehicular emissions cheat-sheet, within a week witnessed almost twenty times the number of negative tweets while losing its CEO and 35% of its market value. As such, social media can be a breeding ground for corporate crises to manifest and once that has happened, it is only a matter of time before its proponents will come out with the verdict—not born out of logical reasoning that should be expected from today's internet-savvy users, but one that more often than not is essentially an emotional outburst.

In light of this, it is important for firms—facing reputational threat—to be fully aware that their communications to the outside world may well be garbled, lost, or distorted among the noise of those very outsiders they wish to reach. With this in mind, Prof Barki and consultant Clémence Vignal Lambret studied instances of how firms responded when confronted with varying user reactions and with what degree of success—if any.

A WALK DOWN HISTORY LANE

The underpinnings for this study stem from how crises have traditionally been categorised along the lines of their nature—technical, political, etc.—origin, whether inside the organisation or out, and intensity—determined by the length and impact. Given the

rise of social media, it is important to factor in its effects to the firm and its stakeholders.

Moreover, in the past the standard approach was to view crises management as a process under the control of the firm. However, starting from the end of the first decade of the 21st century, a view was proposed that stakeholders online were too disjoint and spread across space and time, and that online and offline communications could interact and impact each other. As such, social media could showcase and amplify not only a firm's dirty laundry but also how its practices were perceived.

The way social media has proliferated—with more than 15% of the world's population on



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Companies wishing to face the 21st century head-on will need to develop strategies that flexibly manage stakeholders

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SOLVING FOR X

Knowing the crisis helps in determining the kind of emotions being experienced, and consequently, the reputational threat. This can then be used to respond in the most suitable manner.

Crises arising purely from within the organisation are preventable, pose high levels of reputational threat, usually elicit highly disapproving emotions, and are therefore best dealt with using an accommodative stance. They reflect the fact that the organisation acted in a certain manner knowing fully well the consequences of such actions.

On the other hand, there are crises that the organisation itself falls prey to. These fall into what the researchers call the victim cluster. They are external and are posited to evoke feelings of sympathy and sadness, and thus, ostensibly require the organisation to present a strong defence.

But as with most things in life, there are shades of grey in between. Here, these represent actions that were not intentional, and may require a mixed strategy.

LIVE—TO FIGHT ANOTHER DAY

Barki and Vignal Lambret used this framework to analyse 6 real-world crises faced by companies operating in Brazil and France. As such, the analysis offers insights to crises management in disparate cultural contexts and compares company responses with the proposed strategies.

For instance, in 2015, the Parisian public transport company, RATP, decided to remove part of an advertisement banner used by Les Prêtres, a French music band. The banner was supposedly controversial because it showcased a leaning towards a particular religious group, which at that time was facing suppression by ISIS. The public was, however, outraged, and considered RATP's decision—aimed at maintaining neutrality—condoning massacre in the Middle East. And even though this reaction, coupled with the internal origin of the crisis, should have precipitated an accommodative response, RATP defended itself, mostly using legal jargon, which served only to antagonise further – including the French Prime Minister. A week later, RATP had to reverse its decision, and allowed the banner to be displayed.

By contrast, Skol, a popular beer in Brazil, characterised by a fun and frolic message, had a different approach. Skol's posters released ahead of the Carnival in Brazil did not go down well on social media due to the innuendo nature of their slogans, perceived as sexist. These strong negative public reactions duly precipitated an accommodative response – successful because Skol, while making their marketing director a scapegoat, apologised, and claimed innocence of intention, and changed the slogans for the festival.

At the other end of the spectrum, accidental crises—one on the French railway system and one mining dam collapse in Brazil—were studied. SNCF, the French transport company took quick measures and effectively took ownership of an accident that claimed 7 lives and injured more than 30. As such, it was rendered preventable. Moreover, in response to

the sad tones conveyed on social media, SNCF quickly labelled the crisis a railway accident, thus ensuring externality of origin. While the enquiry found insufficient maintenance as the root cause of the accident, SNCF was able to tide over a difficult time period and lived to fight another day.

However, the response to the dam collapse overwhelmingly conveyed anger, which means it should have been treated as preventable. The company, Samarco, however, categorised it as an accident, and responded with a defensive strategy—praising their actions to support affected communities and denying knowledge of what went wrong. As such, it prevented Samarco from effectively engaging with its stakeholders.

Companies that are (purportedly) victims of crises have another story to tell. Air France, which had been plagued with debt, was planning organisational reform that fell through when a union strike turned violent. Since theory posits that workplace violence be considered as victimisation, it was. Unfortunately, social media thought otherwise and conveyed anger. To this end, the researchers argue, it should have been named preventable and an accommodative response tailor-made to the situation, instead of making matters worse by downplaying the incident with a light-hearted video that seemed to make it all look like a joke.

Yet, Coca-Cola was successful. After a customer claimed online to have developed handicaps after consuming a 'bad-quality' version of the beverage 13 years ago, they posted a video—showcasing a seemingly unopened bottle with

a rat's heat inside—that went viral. In this case, social media thought Coca-Cola was in the right and doled out sympathies. This gave the company time to analyse the situation and react accordingly. To this end, Coke invited influencers to film their safety measures thereby became the wax-seal of authority over Coke's quality, and successfully exonerating them in the process.

PLAY YOUR CARDS RIGHT

The variety of crises showcased is proof that social media can make a mountain out of a molehill. As such, it can be explained by the irrationality of responses that social media provides a refuge for. As such, economic theory that espouses the cause of the rational person need to be reconsidered by organisations looking to keep their reputations intact.

To make matters worse, social media – said to have a hand in polarising debate – has unfortunately engulfed crises management as well. Vilification of large corporates seems to be the new normal, without waiting for formal enquiry results, and sometimes with serious disregard for due process. So much so, that a corporation is seemingly required to treat genuine accidents as preventable crises that the organisation failed to foresee.

A further insight is that the origin of the crises is insufficient to determine the proper response. As such, companies wishing to face the 21st century head-on will need to develop strategies that flexibly manage stakeholders. To this end, they need to predict and adeptly handle emotional responses online, regardless of how irrational they may appear to be. Or risk the same fate as that of Volkswagen after Dieselgate.



Edgard Barki



**Clémence
Vignal Lambret**

KEY TAKE AWAYS

THE INTERCONNECTED MESH OF USERS ON SOCIAL MEDIA ALLOWS NOT ONLY VOICING OF PERSONAL OPINION BUT ALSO AMASSING THIS OPINION TO SET THE TREND, I.E., 'INFLUENCE' THE DEBATE.

SOCIAL MEDIA IS THUS, A BREEDING GROUND FOR CORPORATE CRISES TO MANIFEST.

THE STANDARD APPROACH HAD BEEN TO VIEW CRISES MANAGEMENT AS A PROCESS THAT WAS UNDER THE CONTROL OF THE FIRM.

IT IS IMPORTANT THAT FIRMS—FACING REPUTATIONAL THREAT—BE FULLY AWARE THAT THEIR COMMUNICATIONS TO THE OUTSIDE WORLD MAY WELL BE GARBLED, LOST, OR DISTORTED WITH AND AMONG THE NOISE OF THOSE VERY OUTSIDERS THEY WISH TO REACH.

THE RESPONSE SHOULD TAKE INTO ACCOUNT THE BEST RESPONSE STRATEGY, BASED ON THE WIDTH OF REPUTATIONAL THREAT.

THE FRAMEWORK HELPS TO SOLVE THE UNKNOWN VARIABLE. KNOWING THE CRISIS HELPS IN DETERMINING THE KIND OF EMOTIONS BEING EXPERIENCED, AND CONSEQUENTLY, THE REPUTATIONAL THREAT.

COMPANIES WANTING TO SUCCESSFULLY NAVIGATE THE 21ST CENTURY WILL NEED TO DEVELOP STRATEGIES THAT FLEXIBLY MANAGE STAKEHOLDERS.

THEY NEED TO PREDICT AND ADEPTLY HANDLE EMOTIONAL RESPONSES ONLINE, REGARDLESS OF HOW IRRATIONAL THEY MAY APPEAR TO BE.

IMPROVING THE EFFECTIVENESS OF SURGICAL TEAMS



Prof. **Yufei Huang**, **Trinity Business School**, **Emmanouil Avgerinos** of **IE Business School**, and **Ioannis Fragkos** at **Rotterdam School of Management, Erasmus University**, share their research into boosting the team performance of our new heroes.

From the paper Team familiarity in cardiac surgery operations: The effects of hierarchy and failure on team productivity, by Yufei Huang, Trinity College Dublin, Ireland, Emmanouil Avgerinos IE University, Spain and Ioannis Fragkos at Rotterdam School of Management, Erasmus University, Netherlands. SAGE.

NEW HEROES, NEW HEALTHCARE FOCUS

THE IMPORTANCE OF HEALTHCARE team performance has never before been put more to the test. In western coun-

tries, public outcry and pressure in support of healthcare systems and the people working within them during the Covid-19 pandemic has been enormous – epitomized by the now famous Banksy artwork given as a gift to the NHS in England and homage to

the new heroes of our age. It has also refocused attention on the overstretched and limited resources that have been a result of 30 years of cost-cutting in the name of economic efficiency.



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Indeed, not so far back, when asked to comment of the 180% rise in the number of patients waiting six months for an operation, Clare Marx, former President of the UK's Royal College of Surgeons, admitted that the National Health Service (NHS) was struggling to meet the standards and timeliness of care that the public rightly expected, condemning

as unacceptable the large number of patients waiting in pain and discomfort for treatment. Perhaps, as one of the positive outcomes of the Covid-19 crisis, the plea for greater resources and respect for our healthcare systems might now be directly addressed.

In addition to more people and more money, it is the management of the healthcare system that can positively contribute to making things better for both healthcare systems, its employees and the wider public they serve. Drilling down to micro-level, there is much to be learnt and put into practice from the study of healthcare teams in the very front line. And this is what researchers Professor-researchers Yufei Huang, Emmanouil Avgerinos and Ioannis Fragkos set out to explore.

TEAMS AND WHAT MAKES THEM TICK

It comes as no surprise that teams are the focus for much research and much literature. From startups to MNCs, the military and healthcare, teams are a cornerstone for the bigger system and its search for high performance. Their role in frontline operations makes them answerable to productivity and efficiency, success or failure.

Let's take three of the many dimensions said to influence team success and productivity. One is the extent to which team members know each and have worked together on previous occasions. This is known as team familiarity. But managers who battle to keep their teams intact while aiming at high productivity may often realise that this past shared experience is only part of the

answer.

A second is hierarchy. From the boss flexing his/her muscles to subordinates in a show of power, to playing on status and effective leadership style, hierarchy has an impact on the key aspects of communication, decision-making and behaviour.

And finally, a third dimension is that of failure, or what the modern manager might euphemistically term 'non-success'. Failure can lead to the adoption of new policies and strategies, though researchers Huang, Avgerinos Fragkos assert that we know little about whether team failures generate experiences with a detrimental or beneficial effect on productivity.

CARDIAC TEAMS: THE HEART OF THE MATTER

Surgical teams – and at the heart of Huang et al research, cardiac teams – are interesting. Which is why much research has used them as standard benchmarks from which to measure productivity, high-quality patient care and patient-waiting time. They are highly dynamic, work in highly complex contexts and they have daunting life-or-death decisions to make. They're also special in that they bring together a great variety of individual roles and skills – from scrub-nurse to anaesthesiologist – topped by an authoritative figure of expertise, the surgeon. The job of operating carries with it a profusion of complex non-routine tasks that require considerable coordination among group members. Add to that the challenge of achieving collective performance while being subject to short life span: surgical teams are dissolved after an operation, only to form again upon another occasion often incorporating members from other teams. And finally, cardiac operations require a high level of task interdependence, the actions of individual team members carrying an impact on others' outcomes, with no team member being able to guarantee a good outcome on its own. So what makes them work? And more to the point, what ensures effectiveness, productivity and successful outcomes – the saving of a person's life?

FAMILIARITY: VERTICAL AND HORIZONTAL



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You don't take a vote on what to do with the patient.

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Within the operating room, surgeons tend to enjoy more prestige than other physicians (such as anaesthesiologists) and have the highest status. Not surprising given the 11-15 years of study it takes, not to mention practice. This awe-inspiring intellectual and operational baggage naturally lends itself to creating a granted hierarchy within the surgical team. And this, combined with the high-stake nature of cardiac surgeries, can make subordinate members such as nurses or perfusionists unwilling to take responsibility. Typically, then, such hierarchical relationships can at times lead to a lower capacity to share information, leading to situations such as nurses hesitating to speak up openly to surgeons even if they suspect that something might be wrong. Little impact then, if members of a surgical team become familiar through working together on regular operations. Because although individual members of the team from top to bottom may make decisions relevant to their specific task, the vertical nature of a cardiac team with its barriers and status order means that the surgeon calls the cards. Moreover, past research has shown that in high-pressure environments, improvements and important decisions tend to be hierarchical and



not democratic. According to an interviewed surgeon, 'If you do a democracy, patients will suffer. You don't take a vote on what to do with the patient.'

But what about people who get to work with each other and who are on the same level – in other words, in a horizontal-type familiarity? Well, while relationships between surgeons and non-surgeons can be quite formal and hierarchical, research has found that relationships among people of the same status or hierarchy are likely to be more casual. This means that surgeons relate better and more openly to other surgeons or assistant surgeons, while the sub-teams consisting of doctors, experts and nurses also manage to gain greater cohesion through familiarity too. In both cases, stronger links, more open communication, and shared motivation develops. The bottom line is that while frequency of interactions between individuals could be identical, their hierarchical relationship influences the extent to which such interactions result in higher productivity. Putting surgeons and assistant-surgeons together gives a large boost to productivity. Putting scrub-nurses, anaesthesiologists and perfusionists together likewise gives a large boost. A lesser degree of performance is gained when you expect the two to rub shoulders and create bonds.

FAMILIARITY AND FAILURE

Failures – or non-successes – have already been mentioned as a way to lead to the adoption of new policies and strategies in teams – learning from our errors, as the old adage goes. But researchers Yufei Huang, Emmanouil Avgerinos and Ioannis Fragkos decided to go

further and apply that to the particular context of hospital teams and cardiac surgery teams in particular. Moreover, failure in the context of a surgical operation is not simply a matter of the unreached financial or deliverable objectives that teams in other sectors might encounter. Here, the outcome is graver – that of the death of a patient. In fact, a frequently used measurement of failure in the hospital sector.

But in order to measure the impact of failure, it's also necessary to look at the opposite – the impact of success. While actually saving a life means satisfaction, success also tends to make people feel that they already have the necessary knowledge to complete similar tasks in the future, thereby limiting their search for additional information. Rather than change, team members are likely to refine existing approaches.

In this sense, failure is positive. First, the death of a patient can change the way in which team members communicate and process the rights and wrongs of the experience. Information-seeking leads to understanding and leads to increasing knowledge and learning. In addition, whereas technical expertise in surgical teams can be measured, non-technical expertise – soft skills such as interpersonal, insight, foresight, emotional intelligence – often the cause for communication breakdowns and errors, is harder to grasp. Sharing and discussing non-success leads to trust-building, improved familiarity and openness, ultimately giving team members the ability to better appreciate who is truly good at what and not who could be good at what. And ultimately bringing greater motivation and effort to reach a success – and saving a life – next time round.



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18 MINUTES, 37 SECONDS

Altogether, the results of Huang, Avgerinos and Fragkos's research seem to point towards a whole set of instruments with which to improve team performance in the operating theatre. Managers in charge of composing teams might take note that assigning members of the same hierarchy with high levels of past shared experiences seems to be more impactful than assigning members from different hierarchy levels that share common experiences. Similarly, familiarity among high-status surgeons and assistant-surgeons seems to be more impactful than familiarity among subordinate members. The stats gleaned from research among 6,206 cardiac surgeries from a private hospital in Europe, give surgeon-to-surgeon interaction generating 18.37 minutes of saved time per operation. Little as this may seem, when added up it gives 21.84 hours a month and a staggering 53.11 operations per year. When applied to non-surgeon familiarity, the figure reaches a lesser time reduction per operation of 0.51 minutes: 0.61 hours per month and 1.48 additional operations per year. In addition, composing teams of members that have shared experience of failure (patient death) in the past, seems to be more efficient than building teams with individuals that have only met with success: 6.50 minutes per operation are saved, giving 7.73 hours per months and a princely 18.8 additional operations a year from the saved time.

Very practically, this means that hospital managers could assign assistant surgeons using their familiarity with the lead surgeon – and then select those with the highest number of past failures in the case of two assistant surgeons who are equally familiar with the surgeon. Experience of failure can also be applied when assigning other members to the team: anaesthesiologists, perfusionists and nurses. As for fast turnover and newly hired staff, a rotating

schedule can be set up so that the newly hired individuals will build familiarity and failure/success experience as a future team mix criterion. Could such an approach be applied to other high-stress, high-stakes teams – fire fighters, air-crews, ships' crews or accident investigators? The researchers say yes, with caution – for more research has to be carried out to prove it. However, one thing is almost sure: the new heroes of our times may need such methods if governments still fail to hear the cry of health-care systems which are themselves striving to return to normal health after thirty years of lean diet.



Yufei Huang

KEY TAKE AWAYS

HEALTHCARE SYSTEMS HAVE BEEN OVERSTRETCHED, WITH LIMITED RESOURCES – THE RESULT OF 30 YEARS OF COST-CUTTING IN THE NAME OF ECONOMIC EFFICIENCY. A COMMON OUTCOME HAS BEEN LONGER WAITING PERIODS FOR PATIENTS REQUIRING SURGICAL OPERATIONS.

REVAMPING TEAM COMPOSITION AND ASSIGNMENT IN THE CASE OF SURGICAL TEAMS MAY ULTIMATELY LEAD TO DECREASING WAITING TIME AND UNNECESSARY PATIENT SUFFERING.

THE FOCUS OF RESEARCH – CARDIAC TEAMS – WORK IN COMPLEX CONTEXTS, HAVE DIFFICULT DECISIONS TO MAKE, ARE MULTI-SKILLED, MUST SHOW A HIGH LEVEL OF COORDINATION, AND HAVE A SHORT LIFE SPAN AS THEY ARE SPLIT UP AFTER AN OPERATION.

FAMILIARITY AMONG HIGH-STATUS, HIGH-POWER MEMBERS HAS A HIGHER IMPACT ON SURGICAL TEAM PRODUCTIVITY THAN FAMILIARITY AMONG SUBORDINATE MEMBERS.

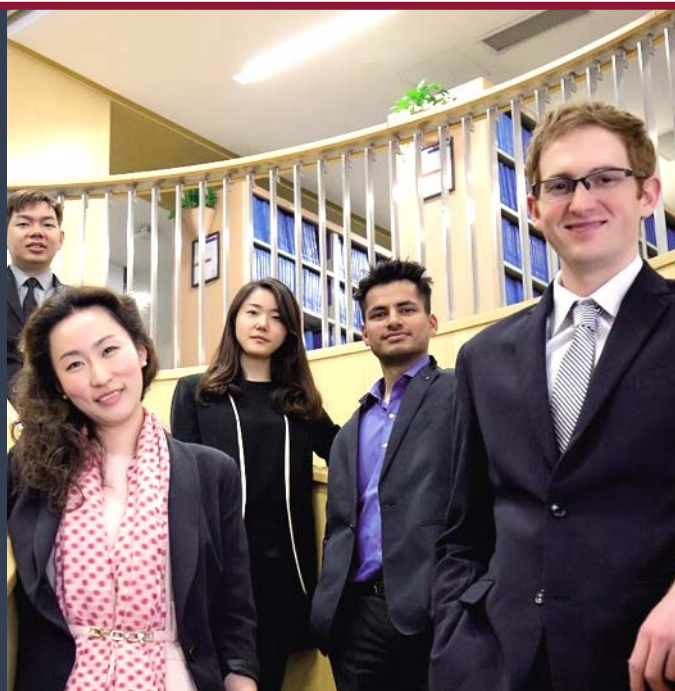
RELATIONSHIPS WITHIN HORIZONTAL TEAMS ARE GENERALLY STRONGER, AND MOTIVATIONAL STATES, SUCH AS COHESION, ARE MORE LIKELY TO DEVELOP AMONG MEMBERS OF THE SAME HIERARCHY LEVEL.

RESEARCH HAS SHOWN THAT ASSIGNING MEMBERS THAT HAVE SHARED FAILURE EXPERIENCES IN THE PAST SEEMS TO BE MORE EFFICIENT THAN USING INDIVIDUALS THAT HAVE ONLY SUCCEEDED TOGETHER IN THE PAST.

SUBSTANTIAL SAVINGS IN TIME CAN BE GAINED FROM GREATER EFFICIENCY, REVAMPED TEAM ASSIGNMENT AND MIX, THEREFORE FREEING UP TIME FOR MORE OPERATIONS, FEWER QUEUES AND REDUCED SUFFERING FOR PATIENTS.

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ELITE OF TODAY,

Leading Future



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**SCHOOL OF MANAGEMENT
FUDAN UNIVERSITY**

[illegible]

[illegible]

This is one of the best sites [for articles] I have ever visited. We all need to support women entrepreneurs in every aspect. The content is very informative. Thank you for sharing it.
Ashwin

These articles or blog posts are genuinely wonderful and I routinely move them on to my college students who're facing/struggling with exams and research competencies – they listen to you in a very way they really don't to me!
Moine

Thanks for sharing this stuff, teaching innovation is one of the best points I found here, keep up the good work.
Best Regards.
Fek

This is inspiring and thought-provoking. As businessmen, we indeed need to learn to live with sustainability and mind and we should also learn how to respond to environmental emergencies.
Chelsea L

Hi, I like your articles everyweek. Your writing style is witty, keep up the good work!
Anon

It's a pity you don't have a donate button! I'd most certainly donate to this fantastic blog! I suppose for now I'll settle for bookmarking and adding your RSS feed to my Google account. I look forward to new updates and will talk about this blog with my Facebook group. Chat soon!
Alena Vayon

Thanks for a marvelous posting! I really enjoyed reading it, you happen to be a great author. I will remember to bookmark your blog and definitely will come back later on. I want to encourage you to continue your great work, have a nice morning!
Lanny Battaglino

I blog often and I genuinely thank you for your information. This article has really peaked my interest. I'm going to take a note of your website and keep checking for new information about once per week. I opted in for your Feed as well.
Bafen

I absolutely love your blog and find a lot of your posts to be what precisely I'm looking for. I wouldn't mind publishing a post or elaborating on a lot of the subjects you write regarding here. Again, awesome blog!
Rudolphe H

I love the advice for students about fostering intellectual curiosity. It seems like this can lead to a love and passion for almost anything, especially the energy sector. My brother in law is very interested in futures trading. He's looking into energy market reports.
Jake G

The Council on Business & Society: *What we do*

Global forum

on critical issues at the crossroads of business and society involving academics, students, policy-makers, NGOs and professionals.

Joint courses and course modules

bringing together the CSR expertise of the member schools' Faculty.

Exchange of Faculty
to teach business and society modules within existing programmes.

White papers
and position papers on issues key to business and society.

A Student CSR change-maker competition

bringing together the students of all member schools and all programmes to write a CSR-oriented article, with a certificate, prize money and appearance in Global Voice.

Communication and visibility

via the **Council Community website** and **blog** featuring regular articles, research and opinion pieces on issues relating to leadership and governance, diversity, sustainability, business ethics, energy, employee health and entrepreneurship.

A bank of shared **educational materials** between member schools with an international dimension, available for use in classes, courses and programmes.

A quarterly **eMagazine** featuring impact articles on CSR issues.

Council
Faculty research projects

Inter-school
Student projects

Student Surveys
summarising how our students view key issues facing business and society.

Getting **involved**

Business and Society

*A singular presence
with a global mission*

REACH US

The Council on Business & Society website:
www.council-business-society.org

The Council Community blog:
www.councilcommunity.org

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