ISO 26000 on social responsibility and EU support to social responsibility

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The selected topic and viewpoint

EU (2011): member states and big companies should promote social responsibility = responsibility for impacts on society

Current crisis – differs from all crises of so far - affluence

- Long period without visible crises $\rightarrow$ needs???
- Most countries in debt; monopolies; tax evasion
- Only 15% have more than six USD/day world-wide
- Unemployment due to innovation, no shorter work-time
Social responsibility: 7 core subjects

- Holistic approach
  - 6.8* Community involvement and development
  - 6.3* Human rights
  - 6.2* Organizational
    - 6.7* Consumer issues
    - 6.6* Fair operating practices
  - 6.5* The environment
  - 6.4* Labour practices

* The figures denote the corresponding clause numbers in ISO 26000.
ISO 26000

7 contents:
1. Governance, management, organization
2. Labor practices
3. Environment
4. Fair business practices
5. Customers
6. Human rights
7. Broader community

2 linking concepts:
1) Interdependence
2) Holism
(Corporate) social responsibility - 1

SR (EU, 2000) = Honesty instead of abuse of power toward:
- Coworkers,
- Business and other partners,
- Broader society (incl. charity),
- Natural preconditions of human survival

SR = Responsibility for influences on society (EU, 2011)

→ Well-being → satisfaction → motivation → OK business performance → business success

Organizations of all sizes and programs
(Corporate) social responsibility - 2

SR = VCEN & strategy of requisite holism (RH) based on interdependence, not (in)dependence

- reduces/eliminates cost caused by
- lack of satisfaction → 'opportunity cost‘, e.g.:
  - strikes,
  - lost markets, suppliers, partners,
  - riots, terrorism,
  - eco-remediation,
  - medication, ..
(Corporate) social responsibility - 3

competitive advantage;
reputation;
ability to attract and retain workers or members, customers, clients or users;
maintenance of employees' morale, commitment and productivity;
view of investors, owners, donors, sponsors and the financial community; and
relationship with companies, governments, media, suppliers, peers, customers and the community in which it operates.
Innovation of habits $\rightarrow$ social responsibility - 2

References of good practices:
Collins/Porras: ‘visionary co-s’, ‘good to great’
Florida: 3T = tolerance, talents, technology
Creech: cooperative management
Mondragon: co-operatives ownership/organizing/management
Sachs: ‘Price of civilization’
Etc.
Innovation of habits → social responsibility - 3

Roubini: longer-term pay basis for managers

ISO 26000 + EU 2011 on SR → IIDP about SR

Government: suppliers to public sector: best in innovation + business excellence + social responsibility, not price only

Growth of GDP ≠ growth of prosperity/satisfaction of people

New needs, shorter work-time, basic income of all
ISO 26000: social responsibility supports interdependence + requisite holism instead of one-sidedness called free market and too narrow definition of innovation = path into 2008 crisis

Decades of TQM/Business Excellence & innovation & aging of population & growing affluence → traditional needs???

Innovation of business policy → (C)SR by systemic behavior → in vision.. → VCEN → ‘green’, ‘ethical’ investment, etc.

Five lines of action - 1

1. **Individuals**: as consumers, to prefer real need over greed, and to prefer suppliers having a well-grounded image of social responsibility; as citizens, to prefer SR in social life.

2. **Organizations**: to understand and practice social responsibility as a human attribute and business strategy that prevents or diminishes, at least, cost resulting from dissatisfaction of people and from destroyed nature.
Some conclusions

Survival of humankind $\leftarrow$ requisite holism $\leftarrow$ involvement of many in interdisciplinary cooperation $\leftarrow$ businesses and politicians alone = not enough, considered areas included

New EU etc. initiatives = the way out from the blind alley

THANK YOU FOR WORRY & ACTION!