

ISO 26000 on social responsibility supports systemic/cybernetic behavior

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The addressed topic

Crisis → Innovation process (IIDP) → innovation of values, culture, ethics, and norms (VCEN) → innovation of habits → (corporate) social responsibility (SR) = **systemic/holistic behavior** →

Away from the feudal capitalism to A. Smith = interdependence, requisite holism, no one-sidedness and owners'/managers' right of abuse

Stern: accumulated damage to nature: → 20% of world-wide GDP → ***damage to humans***

Neither market nor government can do it alone - VCEN of SR

A fifth phase or destruction? - 1

4 phases of basis Related VCEN

of competitiveness:

1. Ownership of natural Resources Scarcity and solidarity, collectivism, tradition rather than innovation
2. Investment Growing differences, local competition, individualism, ambition to have more, be rich

A fifth phase or destruction? - 2

3. Innovation based
on local knowledge

Growing differences and standard
of living, global competition, SR,
ethic of interdependence,
ambition to create

4. Affluence

Complacency, no more ambition,
consumerism; what is quality, or
even systemic quality, of life? →
dead alley

A fifth phase or destruction? - 2

5. RH creation and SR Ethic of interdependence and SR,
in sustainable future ambition to create; diminished
social differences to those
caused by creation, including
innovation → creative happiness

Who?

Cooperative risk takes / free riders / ,wait and see' →

Role models of interdisciplinary creative cooperation

Requisite holism of approach → requisite wholeness of outcomes

Fictitious
holism

Requisite
holism

Total
holism

One single
viewpoint
without synergy

All crucial
viewpoints
in synergy

Totally all
viewpoints
in synergy

Over-specialists
Ethics of in-
dependence

Cooperating
specialists
Ethics of interdependence/SR

Impossible

„The 3 main problems of the current humans/humankind“

Nature – investment – innovation – affluence → ??

- Over-population
- End of resources
- Destroyed nature

= superficial view → *human thinking/behavior!!!*

Knowledge management = superficial view → knowledge and values management → *either (C)SR or destruction of the Planet Earth*

Social responsibility: 7 core subjects



* 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 = Honesty instead of abuse of power toward:

- Coworkers,
 - Business and other partners,
 - Broader society (incl. charity),
 - Natural preconditions of human survival
- 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, ..

Decade	Market & Social Requirements	Enterprise's Ways To Meet Requirements	Type of Enterprise
1945-	Covering of post-war conditions of scarcity, rebuilding, etc.	Supply of anything; supply does not yet exceed demand	Supplying Enterprise
1960-	Suitable price (as judged by customers)	Internal efficiency, i.e. cost management	Efficient Enterprise
1970-	Add: X quality (as judged by customers)	Add: X technical & commercial quality management	Quality Enterprise
1980-	Add: X range (as judged by customers)	Add: X flexibility management	Flexible Enterprise
1990-	Add: X uniqueness (as judged by customers)	Add: X innovativeness management	Innovative Enterprise
2000-	Add: X contribution to SD (as judged by customers)	Add: X sustainable development	Sustainable Enterprise
2010-	Add: X social responsibility	Add: X honesty reaching requisite holism and wholeness beyond legal demands	SR/RH enterprise

Innovation of habits → social responsibility - 1

2008- global **socio-economic** crisis ← **limitation** to
technological innovations only

Non-technological innovations !!! =

1. Business program,
2. **Methods**,
3. **Organization**,
4. Business process,
5. **Management style**,
6. **Management process**,
7. Values/culture/ethics/norms (VCEN)
8. **Our habits**
9. Habits of others

Innovation of habits → social responsibility - 2

Ethics of interdependence → RH/SR

3T = tolerance, talents, technology

More saving, sufficiency, less shopping-addiction

Room for technological innovations & requisite holism of approach → **chance for success**

Against 'Bubble Economy' → pressure and action for requisite holism → **survival** of the current civilization of humankind by **(C)SR**

Innovation of habits → social responsibility - 3

Ecosystem = requisite holism about *nature and humans* (= a small part of nature, depending on healthy nature for survival)

Business persons = one-sided rather than requisitely holistic; short-term criteria of success

Politicians = the same very often

→ (C)SR – legislation, long-term basis of pay, customers' & competitors' pressure → SR = human attribute → organizational strategy

Innovation of habits → social responsibility - 4

Social responsibility = end of abuse of power holders' influence over people & nature

Why:

- Until 1820 – GDP: 3% per 1000 years
- After 1820 – GDP: 5500% in 190 years
- After 1945: 2,5x – 7x – 0 – **further growth** of production: for who & from which nature?
- 4 mil., 1,7 mil., 1.500 per hour
- CO₂, methane → survival? New initiative - SR

Some suggestions - 1

Strategy of promotion & implementation of SR

Humans as:

- **Consumers** – less/no greed, **just real needs** &
- **Organizations**: (1) suppliers, (2) customers, (3) **public awareness makers and users** &
- **Nations**: support competition and **fight monopolies**
- **& world-wide democracy**

Everybody can trigger the process for SR - VCEN

Some suggestions – 2

No more ‚Bubble Economy‘ \leftrightarrow Earth, Survival

From **over-consuming** to **saving** society, adding sufficiency to efficiency

Ownership right without abuse („process owners“)

Awareness – **paradigm shift** \rightarrow VCEN innovation

Available, but un(der)-used technologies

Interdisciplinary creative cooperation; **methods OK**

Some suggestions – 3

Bottom line: Freedom & Equality & Brotherhood

Real rather than **fictitious/monopolized** market

Well-being of many, not only owners & 15%

Humans' interdependent needs: for **survival, joy, power, freedom, and belonging**

Human inner motivation!!! **Multilayered entities**

Democracy rather than subordination

Some suggestions – 4

Related human attributes → innovation of VCEN → more RH/SR

Consideration of **very new conditions**, not just a **'business-as-usual'** crisis
(2008 is not 1929)

85% of humans = saving society

Life cycle of needs - Non-material needs → **wellbeing beyond welfare**

Some suggestions – 5

Awareness building:

- RH through SR → survival
- SR pays off also in short term and locally
- SR = seven areas, linked by interdependence and holism
- SR = human attribute, not only companies (tools)
- Decisions – need innovation process (IIDP) to succeed by becoming innovations, incl. SR

Some suggestions – 6

- SR fights all monopolies and abuses
- SR diminishes and prevents costs, resulting from dissatisfaction
- SR – ‘opportunity cost and benefit’ – add in accountancy
- Neoliberal: ‘reduce cost at any cost’ = not RH/SR
- Suppliers to public sector: RH/SR, innovative, business excellence, TQ

Some suggestions – 7

- SR supports competitiveness ← customers value SR & are less shopping-addicted
- Monopolistic behavior = lack of RH/SR → trouble due to reaction by riots
- Need to innovate VCEN & knowledge
- Need for capacity of interdisciplinary creative cooperation → RH/SR by given methods & ethics of interdependence

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

Five lines of action - 2

3. **Governments**: suppliers to public sector only **the best** in (1) **innovation**, (2) **business excellence**, (3) social responsibility, (4) **attaining** the same with their suppliers

4. **International community**: world-democracy - **multinational corporations**, world peace, and the **basic human rights**

5. **(Systems/cybernetic) science community**: awareness and knowledge of SR, **ethics of interdependence** and **methods of interdisciplinary creative cooperation**

Concluding remarks

(informal) systemic VCEN → RH (by SR) → (non)-
technological innovation → 5th phase

Government – fostering **creativity/innovation**; promotion of
,visionary co.-s, + ,good to great‘

Financial motivation: **USOP/Universal basic income** + **ESOP** +
Mondragon style + regular work pay + innovation-based
income; longer-term basis for managers/governors

For selfish reasons, **people are less selfish**, short-term
thinking, **and narrow-minded**, and they apply **more RH/SR**

Some conclusions

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

New initiative = the way out from the blind alley →
ecosystems approach = requisite holism → survival – by
(C)SR = requisite holism due to interdependence =
systemics in action

THANK YOU FOR WORRY & ACTION!