

# 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 → 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



\* 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 → 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

# Innovation of habits → social responsibility - 4

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.

Process: \*Idea – invention – suggestion – potential innovation – innovation – general use (by diffusion) – new ideas\*

# 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 ← requisite holism ← involvement of many in interdisciplinary cooperation ← 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!