Corporate Social Responsibility: How Can Learning Contribute?

BY ANNICK RENAUD-COULON

One emerging element in executive education has been corporate social responsibility. How can the learning organization encourage this sort of behavior, which ultimately has a positive effect on the bottom line?

The idea that education is the key to everything isn't new. Plato was a fervent critic of the civilization in which he lived, which was rife with corruption, and saw education as a means of creating the ideal society. Confucius believed education not only offered a means to establish a reign of virtue, but could also change human nature and improve it in a qualitative way.

In some ways, the world hasn't changed much since antiquity. Human behavior — its foundations, selfishness and selflessness — remains unchanged. Virtue is still a much sought-after commodity, and education is the best means of finding solutions to the world's ills. Companies' efforts to spread awareness of corporate social responsibility (CSR) among their stakeholders is very much a part of education's salvational role.

It is encouraging to note that, under the combined influence of scientists, international organizations, non-governmental organizations (NGOs) and the media, the world of work is embracing the ideals of CSR. Companies are drawing up ethical charters; creating sustainable development and diversity management departments and drawing up budgets for them; and publishing an annual environmental and social report. While companies are taking a genuine, ethical interest in major social and environmental causes, there are often other reasons associated with their image and business: the need to satisfy their stakeholders' demands.

Among the latter are the employees who, as brand representatives, want their companies to implement meaningful policies and demonstrate virtuous behavior. This is what emerges from research conducted by Right Management, which confirms there is a "growing demand to demonstrate elevated socially responsible and compassionate behavior."

So how, if not through education, can companies respond to this demand, which is grounded in reason, emotion, common sense and ideals? Companies can't just wave a magic wand to show they're being responsible. Responsibility isn't a question of communication or making declarations. That would be too simplistic. Responsibility only comes from education, reflection, exchange, sharing and sustained effort.

In other words, it is absolutely essential for employees, and especially managers, to spend some time learning about and understanding world issues — and particularly issues relating to their company — so they can learn about socially responsible behavior. This will make it possible to mobilize them around individual and collective initiatives and for everyone to experience the satisfaction of seeing the significant and tangible results of implementing CSR.

The corporate university or learning department seems to be the preferred lever of corporate responsibility, from the social and environmental perspectives. This educational structure that is principally focused on aligning skills with business strategies also should promote CSR education to encourage this sort of behavior, which ultimately has a positive effect on the bottom line.

How can the university do this? By embracing the following concepts:

DID YOU KNOW?

According to research from Right Management, 85 percent of organizations consider CSR a critical component in the selection of an outplacement service and partner.

1. **Adopting CSR, its codes and terminology:** To be credible, the university must first acquaint itself with all aspects of CSR and understand what's hidden behind the semantics used in "corporate social responsibility," "corporate responsibility," "sustainable development" and other terms that define the scope — which is hazy, to say the least — of responsibility. Meetings with experts, scientists, civil representatives and NGOs, and benchmarking other companies, will help the university understand the phenomenon and prepare it to advise its own organization on CSR-related matters.

2. **Carrying out a strategic analysis of the company's culture of responsibility:** The university must be able to answer this question: Is corporate responsibility part of the company's DNA? In the company's culture of responsibility, which dimension is the most pervasive: the human, economic or environmental one? Which elements of the company's culture will favor or hinder the adoption of the desired behaviors?

What's at stake for the company? What does it stand to gain or lose in this area with regard to its business and reputation? What sort of relations does it have with its external stakeholders? In short, the university must carry out an analysis that will bring better understanding of the company, the identity of which is often in flux, and help it progress toward responsibility through education.

3. **Carrying out an analysis of the university's mission and guiding principles:** The question is to establish whether the university has a legitimate right to become involved in promoting CSR. If the university hasn't done this yet, it must evaluate itself, review its mission, its place in the company, resources, and the power and influence it exerts through the people who support its projects and participate in its activities. There is a political side to CSR.

Traditional media, the blogosphere and certain NGOs won't hesitate to laugh abandoned projects and failures to scorn. The university, or the learning direction, also must endeavor to identify the other inter-

nal and external actors who are already working on the subject. There's no question of creating additional silos; quite the contrary. The university must work with others, build a shared vision and define a set of mutually agreed conditions.

The following seven guiding principles will give the internal university points of reference for action and arguments for negotiating with its own stakeholders:

- Bringing worlds together.
- Working within societal and organizational transversality.
- Professionalizing top management.
- Professionalizing charity culture.
- Learning corporate responsibility through a cognitive and sensitive approach.
- Promoting general knowledge as a precious asset.

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- Providing honesty and coherency in the corporate communication and approaches on corporate responsibility.

4. **Developing and deploying an ad-hoc program:** Once the preceding steps have been completed, the next logical step in this well-managed and well-developed process will be to enable the university to devise and implement an effective and appropriate plan of action. Of course, it should have every chance of being beneficial to the company and its employees. It's important to understand that CSR affects the company's identity, communication and bottom line. This is why it's important not to rush through the preliminary steps or start at the wrong end of the process.

The first question is: Is there some knowledge about CSR? What does this consist of? And given the profusion of sources, where can this knowledge be found? Is it a science, and if that's the case, what are its values and are they universal? The second question is: What's the point of learning about CSR? To acquire knowledge or values, or both?

But isn't CSR a question of praxis, a transformation of the world of work taking place right in front of our

eyes, and for which there is, a priori and by definition, no specific behavior theory? If that's the case, and the complexity of the world in general and management in particular makes this highly plausible, isn't it necessary to leave some room for pragmatism and continuous adaptation, or to be wary of beliefs and principles that are impossible to prove or put into practice?

And finally, the third question is: Who exactly should be trained in CSR? Quite obviously, and in accordance with the psychological and political characteristics of CSR, it's advisable to begin with executive education.

In short, there are many interesting questions. Finding answers to them will depend on the nature of the offering. One of the first questions that must be addressed is: What programs can the learning function develop to perpetuate corporate social responsibility?

The corporate university or learning structure offering should take several forms. Programs that take place on a regular basis over varying periods can include live presentations or distance learning. Here are a few ideas to keep in mind:

1. Programs or cycles initiated by the university are excellent ways to train employees en masse to understand the issues and take on responsible behaviors. This can be done through face-to-face presentations, distance learning or blended learning. The advantage is that they quickly create a critical mass within the company and communicate clear messages.

StatoilHydro Learning Solutions has developed an excellent e-learning program for its entire staff. It includes a strategic and operational anti-corruption initiative. It is presented by the company's CEO, who explains how "corruption distorts competition and is a serious barrier to social development, and in addition, corruption can ruin our reputation and undermine the trust and motivation of our employees."

After introducing the Norwegian and U.S. anti-corruption laws, the program presents eight interactive, practical cases. There are other equally remarkable examples, such as that of the National Australian Bank Academy, which has implemented the Accelerate Talent Program for the top 50 high-performing, high-potential and highly motivated individuals who are most likely to take on executive roles during the next five to 10 years.

Part of the program is called Ethics/Values-based Leadership. It involves confronting physical and moral challenges, relating various social experiences — particularly with the indigenous community — and connecting participants with diverse communities and customers. It also involves examining personal values and ethics for effective decision making and leadership.

2. Projects are another form of education that enables corporate universities to tackle concrete issues and to seize opportunities for the development of corporate responsibility or citizenship. This is the approach taken by Union Fenosa in Colombia. (See the In Practice sidebar.) Areva University adopted a similar approach when it implemented a long-term program for South African young professionals, engineers and managers in the administrative service, in the framework of the national asgiSA (accelerated and shared growth initiative for South Africa) project.

The aim is to help future graduates provide South African organizations with the competencies they need to strengthen the country's dynamics through better control of major projects. This societal action is targeted at beneficiaries who aren't Areva employees and who represent the next generation of managers in South Africa. At the end of their training, participants are awarded an internationally recognized master diploma that combines academic and practical work in collaboration with the South African government. While Areva has a business interest in this project, it is also important to mention that the company started the program before it had any contracts in South Africa.

3. Educational events are designed to attract attention over a short period to a specific theme or issue. Conferences may be given by personalities involved in CSR or sustainable development. This took place at the Shinsei Bank, which recruited Professor Wangari Maathai for a conference on the publication of her autobiography, *Unbowed*, which was translated into Japanese by Yuriko Koike, adviser to the Japanese prime minister.

The university can hold exhibitions to sensitize employees and external stakeholders to sustainable development and inform them about the company's actions in this area. This was organized by the Campus Veolia Environnement, for example. Events can also be organized using intranet or extranet to get everyone to work together on a "D-day" on the subject of responsibility. In short, the entire range of event-based communications can be used in corporate education, and this makes the university more up-to-date and aligned with its "clients."

These are just a few examples. There are others, such as learning activities on developing shared vision and CSR culture, protection of the natural environment or discouraging waste and pollution; leadership learning programs on corporate responsibility, corporate citizenship, sustainable development for all employees; leadership projects on decision-making, considering the demands of international rating agencies; voluntary programs; action learning programs in relation with external stakeholders; co-

operation with educational systems and academics to build new curricula; transmitting knowledge to schools; education of underprivileged people; and literacy programs.

The relation between corporate education and corporate responsibility is in its infancy and will need to be developed with pragmatism, passion and intelligence. As Antoine de Saint-Exupéry said, "As for the future, your task is not to foresee it, but to enable it." Giving the corporate university or the learning structure the responsibility for educating in CSR and for implementing concrete actions in this area is a very real way of ensuring that this future becomes a reality — which is far from the case today. CLO

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IN PRACTICE UNION FENOSA CORPORATE UNIVERSITY: HOW CSR EDUCATION IMPACTED THE BOTTOM LINE

Spanish energy company Union Fenosa operates in Colombia, where, in 2002, violence in the country had led to the relocation of a large population mass in certain poor neighborhoods located on the outskirts of various cities. Sixty-seven percent of this population lived in dire poverty, and of these, 99 percent weren't charged for their electricity consumption.

There were 300,000 irregular unauthorized cases of power usage — subject to no regulation, quality control or safety measures — with all this causing a very tense social climate owing to a deficiency in the quality of service.

On Union Fenosa's part, the outcome resulted in a loss of 21 million euros, 26.6 percent in energy losses and a payment of 78.6 percent in the bill collection. Due to these circumstances, the future survival of Union Fenosa's companies in Colombia was clearly in jeopardy.

In an attempt to solve this problem, Union Fenosa chose to create Mipymes — micro and small companies — that handled the billing and management of community networks in deprived neighborhoods through a percentage of the bill collection. Likewise, diverse training activities were set up in areas such as energy conservation, business management for Mipymes managers, and training for marañeros, or unskilled workers, to become electricians. The estimated cost of this investment has been about 26 million Colombian pesos.

The results have been dramatic: Bill payments went up from 78.6 percent to 92.7 percent in 2005, and energy losses decreased from 26.6 percent to 16.7 percent that same year. Also, 78 new jobs within the company, and 1,200 ancillary ones, have been created; the bill payment rate has increased by 65 percent, and 50,000 families have regularized their distribution electricity installations. The main figures are essentially the same in 2008. This is a medium-term change management process that is not yet complete CLO

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