

PROFESSIONAL PROFILE

Narine Arustamyan

My name is Narine Arustamyan, a Leading Corporate Social Responsibility (CSR) specialist at VivaCell-MTS, an Armenian telecommunications company.

My position. I lead the CSR committee by coordinating the CSR strategy, its implementation and reporting according to Sustainability Reporting Guidelines. My mission is to integrate responsibility into the company's day-to-day operations. We address organizational performance and improvement in socially responsible behaviour by applying the principles of the UN Global Compact, and the ISO 26000 standard.

A typical day. I handle a great deal of communication during my daytime, mostly calls and meetings with different stakeholders. I consolidate offers and complaints of internal and external stakeholders, evaluate them and propose ideas for improvement. I closely follow both local and international CSR related news and I consolidate data and policies of our company in order to draw comparative analysis. I prepare presentations and develop training courses.

Community development programmes are another part of my daily job. I receive many letters and proposals from different organizations applying to us for partnership in community development programmes. I assess the proposals and put forward my recommendations to management. I carry out a lot of CSR concept promotion within the company during the breaks and lunch times.

Convictions and commitments. Ethics, responsibility, and sustainability start from personal convictions, like energy saving at the office and at home. I enjoy considering the issues of different stakeholders and respect the company's Code of Ethics. Our Code of Ethics sets forth the principles and ethical standards for the professional conduct and responsibilities of employees. These principles and standards are used as guidelines during our daily professional activities. They constitute normative statements for all of us and provide guidance on issues that we may encounter in our professional day to day work.

Outcomes. All company vehicles were transferred from petrol to methane gas and were equipped with GPS. Since then we have driven 100.000 km less, both decreasing environmental impact and saving money. Such activities are providing healthier conditions or society. Human resources is highly engaged in promoting CSR among employees. Our job satisfaction study has shown that 67 per cent are planning to stay over six years. Turnover rates are low. We started with 1193 members of permanent staff into the year and ended with only 12 people less.

Recommendations. To understand CSR we need to have an integrated understanding of economics, management, leadership, politics, procurement, social sciences, communication, diplomacy, environmental management, and finance. I also recommend speaking with friends, families, and colleagues to increase the number of people speaking the 'CSR language' around you.

Challenges. At first it was difficult to promote CSR and to make others speak about it. It took a few years to prove its importance. Now CSR is well established and has become the talk of the company. Other challenges were to differentiate CSR from philanthropy. CSR is mutually beneficial management, which begins with a sense of collective vision for the future, and continues with difficult decisions about the balance between industrial production-consumption and environmental quality.



Courtesy of
Narine Arustamyan



Questions

1. What drivers and inhibitors of professional management can you spot in Narine's profile?
2. What connections to ethics, responsibility, and sustainability can you identify?
3. What recommendations for promoting more professional management can you extract from Narine's profile?
4. What other professional management practices could or should a company like VivaCell-MTS engage in?

PROFESSIONAL PROFILE

Kene Umeasiegbu

My name is Kene Umeasiegbu and I head up the climate change and sustainable agriculture team at Tesco. Prior to that I worked as a consultant for about five years in a number of consultancies including the Carbon Trust ... but also around social and ethical issues like human rights and child labour. Prior to that I spent quite a big chunk of my career at Cadbury ... a time in my career where I could reflect on my practice.



Courtesy of
Kene Umeasiegbu

Acknowledging the complexity of practices. When you think about Tesco, we have thousands and thousands of product lines, and each of them would come with complex production systems. So as a business we look at it and say ‘Well gosh, where do we start? Do we start with the beef or the tomatoes or the carrots?’ We have a supply chain that spreads around the world, which I think makes it a little bit overwhelming for the business to decide where exactly are we going to start in addressing environmental sustainability.

Mapping practices’ impacts. We took another look at the way we’ve laid out an environmental sustainability agenda ... We want to make a positive contribution where we can ... we asked ourselves ‘What are the environments we have an impact upon?’ and we laid out about five environments that we think account for 80 maybe 90 per cent of all the impacts we have. The first is the climate, and we have an impact on the climate both through our own operations ... but also through our supply chain, and we have an impact on the marine environment. The sourcing of all seafood has an impact on the marine environment. We have an impact on rainforest, which is a source of timber, soy, palm oil, and Amazonian beef. We also have an impact on farmlands, for instance, of agriculture in the Mediterranean region in the UK here or in northern Africa. And then we also have our impact on freshwater bodies. The climate, forests, marine, agriculture, and freshwater bodies ... If we get it right we’ll be addressing at least 80 or more per cent of our environmental impacts.

What practices? When you come to addressing sustainability there are two ways you can go. One is how can we make production as efficient as possible and reduce as much as possible the environmental impacts of production? The customers look to us to take the lead because it’s a complicated system and they don’t understand it as well as we do. Then there is the consumption side of things. No matter how efficient and how well produced, if we waste 30 per cent of those resources when we over-consume, there’s just no way to make production sustainable. If the consumption bit hasn’t been resolved then ... Sorting out sustainability in production is big enough, but sorting our sustainability in consumption is the real biggie. That’s the real challenge because that goes beyond the agency of an individual company and people can instinctively say it goes to the agency of individual consumers and that’s probably true. When you come to the challenge of collective action you actually see that we’re talking about almost a whole societal reconfiguration of how we consume. That’s more than anybody’s pay scale in business. We could have a role to play in it but it’s not really something that customers feel comfortable with – big business telling them how to consume. So our instinct is to provide as much information as possible to customers and then be guided by their choices. What we found with carbon labelling is that if the information is too technical or if it’s too detailed the customer might not understand. People lead busy lives and they don’t want to stand in the milk aisle for two



hours checking whether the footprint is right, if the price is right, if the provenance is right, if the animal welfare is good, if the farmers were paid a fair wage. And that's just milk and then they move to yogurt and do the same, and then to oranges, it's just not realistic. If we can find an easier, simpler, more engaging way to share this ... The environmental side of our sustainability agenda resides within a wider climate change and responsible sourcing strategy. Our responsible sourcing strategy has four main elements: one is addressing commercial relationships because that's an enabler for everything else; the other is environmental sustainability; the other is human rights, which looks at the rights of individuals in the workplace; and the other bit is animal welfare. Those together form a responsible sourcing strategy. And then of course we have an operational impact that makes up a sustainability agenda.

What we need to know as practitioners. Business is quite different from academia. We don't need to present these ideas as intellectual concepts. Now the concepts might be useful for the individuals driving the sustainability agenda but actually understanding the issues is just the foundation of an effective sustainability practitioner within business. Understanding the theory of the issue, the science of how to resolve, it is the start and the most important thing. Then, understanding how to make business address them in the light of commercial realities, of reputational realities of the interest of investors, of the mandates of business to grow shareholder value and of course of a practice that you might see in a number of businesses as they try to find the balance between quarterly results and the long-term focus. A lot of the things we are discussing today is actually dealing more with issues in the medium to long term. The job of a practitioner like me in-house is to find out how we find the right way to take these ideas as practitioners, as students, or whatever else, and how we embed it into the way we do business. You could choose a career to make this contribution as a consultant where you'll be the one doing the technical number crunching, always updating information and providing the footprint and the scientific evidence to make the case. That's an important role in the sustainability career sphere, but one could also play the role of being the person that takes this idea to market, the person who goes to the business and makes the business case. To say, 'If we don't do this, here are the risks', or 'If we get it right, here are the opportunities'. One will need to find the right way to improve it, to translate it into the language of business, into the plans of business, into the reality of business, and into the priorities of the leadership. That actually can be sometimes more difficult than just understanding the theory of how deforestation happens or how marine ecosystems might be affected by acidification.

Playing our cards right. Your job as a sustainability practitioner is to find which one of these should serve as an anchor for your strategy. If you can find a link between that and what you're trying to achieve then you have a successful outcome. Let's say a supply chain director says, 'The thing that's keeping me up at night is that I'm about to sign this long-term partnership with this supplier of tomatoes and I'm worried if I put all my volumes in this supply of tomatoes, will they go out of business in five years, or maybe in seven years' time? I'm signing a ten-year partnership'. So that might be the headache. As a sustainability practitioner you might find an opportunity there to say that part of what might make them go out of business is environmental impact. As you're doing that review of checking exactly whether this is the right partner to go for, let's include an environmental impact assessment and look at long-term modelling. For example, where they're growing their tomatoes, what might be the impact that climate change might have on it in the next seven or ten years. So now you're helping them answer a



business question, but as the expert in sustainability you've made sure that environmental sustainability has now been included as one of the considerations. That is a skill that a number of people who have just the theoretical knowledge of sustainability, but very little understanding of business are missing. They end up finding themselves banging their head against a brick wall on each occasion because they're speaking a language that business doesn't understand. I think there's a whole ecosystem of careers in sustainability. Each person would be best served by thinking about which area of this field plays well to their instincts as people to their values, and to the action logic. How do they organize their thoughts? If someone is of the view that the nature of business needs to be overhauled completely, and there's an argument for that, that the nature of consumption, the nature of capitalism, and value needs to be overhauled, perhaps that is someone more suited to policy conversations, to the transformation of the integral mental institution that is business.

Remark: This text is an abridged version of the interview conducted with Kene Umeasiegbu by Frank Boons for the Massive Open Online Course 'Managing Responsibly' [42].

Questions

1. What role does professional practice play in Kene's management activity, and more widely at TESCO and in the food retail industry? What elements of the process of practicing professionally can you spot?
2. What (un)professional management practices does Kene elude to? What collaborative aspects of practices can you find?
3. Which of Kene's statements do you agree with, with which ones don't you?
4. What different roles does Kene describe for practitioners who want to engage in changing management practices? Could you see yourself in these roles and do you think, for you, it would be more interesting to change a business from within or from the outside?

PROFESSIONAL PROFILE

Pia Poppenreiter

I am Pia the CEO and co-founder of Ohlala a paid dating app. We connect users to go on paid dates instantaneously in the safest way possible. After we founded Ohlala we raised money to finance the product development and when we launched, it went so well that we quickly took it to more cities in Germany and we started to take it abroad, that is New York City. It's a very, very tricky topic and product that we developed.

From investment banking to responsible management to founding Ohlala. I have a finance background and worked in investment banking. But I did some soul-searching and studied responsible management in Berlin. After graduation I founded my start-up. I'm a very data-driven structured person, but I also am incredibly happy that I did study responsible management. Finance gives the structure to work data-driven but having this ethics background helped me put a framework around products and the company so that we all have a good feeling working here.

Ethics is so abstract. Or is it? Full honesty right here, when I was studying it was quite abstract. Quite a couple of times I thought: What am I doing here? How could I possibly ever use this for my further career? Looking back it was one of the best decisions. I mean this from the bottom of my heart. I only found out later now that this is so valuable. It helped me. When you study ethics it's so abstract and you're going through the cases and you're like: Why are we discussing this? Now I really think a lot back when we evaluate situations and how we derive decisions: How can I put a structure around the product and the company and the people working here? They need to feel comfortable acting with their own set of values, but still within the scope of the values that we created for the company. With Ohlala we're tackling a super tricky topic that is really stigmatized in public and there's a lot of explaining and judgement. We have a solid foundation on how to deal with it. At the end of the day you can judge morally based on your own morals, but that won't do for the whole company. I'm glad I managed to create a system that works for the company not just for myself.

Ignorance is bliss! What's happening on a date is a private matter. There's a lot of guessing going on, which we are never going to confirm. The interesting question is why people are so curious about finding out what's happening. So we try to set up and develop the product in a way that no one at all has to ever lie about what's going on. We've designed the process so that we really don't know what's happening. We created the product in a way that we and the people working here don't have access.

How to actually manage ethics? We are hiring right now. I really look forward to starting the interview process when I get to talk to the people that are applying. I am trying to figure out whether or not this is a fit, not just on a professional level, but also on a personal level. You can't be working here if you don't understand our vision and mission to connect people in the safest and fastest way possible. We're really talking a lot about the issues and the ethical implications. The core of our whole being is that we have some prefixed rules that we constantly apply. First, we honour the integrity of our users. We ask, 'If we were a user would we want that to be done?' and that is actually really fundamental to how we make decisions.



Courtesy of Pia Victoria Poppenreiter



Getting started with ethics. Start-ups are quite crazy, but actually we did have a code of ethics in place the first month. You have co-founders and you need to sit down and discuss how you see the world, how you see the product, and where it should go. Then you really need to be aligned and you want to go into the same direction. So ethics was a huge component right at the beginning and we are constantly communicating this. We recently closed our financing round and we are now in the phase of professionalizing ethics within the company.

Finding, walking, and talking ethics. There's a lot of talking about our product. I think one of the most important aspects of understanding what we're doing is that we have good intentions and a very ethical approach to it. I think that users feel it, because it matters in every step of the way. How we made it, how we pick new team members, how we pick a new feature, we always have this ethical key component in. We're tackling such a socially critical topic that we needed to ensure that ethics is the foundation of everything. In your own communication you must have some position on the different topics that might come up and explain where the decision comes from: Why are you doing as a business what you're doing? It is something that develops out of the communications you're having.

They're in your head! We have stakeholders and we like to see which ones are very important to us, which are priority number one or two or three. First of all we develop a product for our users, one of our most important stakeholders. Then it's people working with Ohlala, within the team is one of our most important stakeholders. Every time we're discussing anything, my mind goes through all the stakeholders and if I can balance the interest. So many times there is a conflict of interest.

What happened when a French region claimed Ohlala had used their tourism slogan. Actually, that issue wasn't even on my radar. You'd be surprised how many things you have to deal with running a start-up. It's simply crazy. That issue was quite a different motivation. We're not operating in France. Even if, there would be no trademark issue as we would be operating in different industries. They actually never talked to us. What they tried to do is to jump on our media coverage because we rank higher on the search engines like Google than they did and we were up and running.

Inviting people to reconsider their worldviews. I know who I am and I know who we are at Ohlala and I know our product. That's the foundation of all my arguments if I'm being criticized. I think a lot of times it is due to a lack of understanding or miscommunication. You always try to find out what the problem actually is and to discuss it. Just maybe you invite the other person or the audience to question how they view the world. I am not saying that I'm right. It's just one perspective and I want to invite people to reconsider how to view the world. That's my approach without telling them what they have to think. It's so interesting for us to have a chance to reframe how people think about some social topics

How to live with the critics, moral and otherwise? I know who I am and that my intentions are good. This is what you have to deal with when you are starting a socially tricky topic. It takes a while for people to understand what you really want to accomplish. People get a little information, not the full picture. At the end of the day I just hope that maybe a couple of years down the road people do know what I was up to and what my intentions were. Until then I knew what I was getting myself into and that not everyone's going to be totally fine with it. I believe over time connecting the dots, what we are doing will make sense. I'd like to be a role model for people to go and dare something, and as a woman that you know anything's possible.

Remark: This text is an abridged version of the interview conducted with Pia Poppenreiter for the Massive Open Online Course 'Managing Responsibly' [89].

Questions

1. What (un)ethical practices and practicing can you identify in this case? What types of ethical issues are they related to (compliance, no-problem, moral laxity, genuine dilemma)?
2. What ethical decision-making rules or principles can you spot in Pia's explanation?
3. What are the connections between legal, moral, and ethical considerations in what Pia describes? How do these change with Ohlala's international connections, for instance, in relationship to New York and France.
4. How would you describe the role of ethics in the way Pia manages her start-up? How do you imagine she creates her 'moral structure' that works for all. What might a code of ethics for Ohlala look like?
5. Do you think Pia is a professional manager? Does she engage in service to society/planet and professional conduct? Would you consider her a role model?

PROFESSIONAL PROFILE

Thomas Hügli



My name is **Thomas Hügli**, and I am the Chief Communication and Corporate Responsibility Officer (CCRO) of AXA Winterthur, a major insurance company in Switzerland.

Responsibilities. The CCRO is a direct report to the CEO and has a dotted-line reporting relationship to the AXA Group CCRO in Paris, France. The CCRO role is not designed to be a full-time occupation, but rather a governance position. As one of AXA's primary voices on corporate responsibility (CR) and advisor to senior management, the CCRO drives and articulates our three-legged CR strategy (employee engagement, stakeholder management, flagship programme 'road prevention' for differentiation) at regional and local levels to position AXA as a responsible corporation, in order to achieve our ambition to become the preferred financial services company. Through effective leadership and in line with the Group CR strategy, I am responsible for building a strong CR strategic plan and targeted key performance indicators (KPIs) in order to embed CR into core business processes to provide proof of AXA's commitment and to leverage this proof in order to build trust among all of AXA's key stakeholders.

A typical day. My daily tasks mostly include observing the CR topics of the national political debate that also affect our work, such as the turnaround in energy policy, mobility in the future, or the new transparency and capital requirements. They also include thinking more deeply about CR. These ideas then become part of the statements or presentations we use in response to internal and external inquiries. I also spend a lot of time talking with team members about operational decisions, meeting with customer segment boards, or holding stakeholder communication meetings in order to further establish the views and meaning of corporate responsibility within the organization.

ERS communication. AXA's mission says that 'we help customers live their lives with more peace of mind'. In this context, responsibility is an inherent part of our mission: As a company whose business it is to protect people over the long term, we have a responsibility to leverage our skills, resources, and risk expertise to build a stronger and safer society. Our CR charter communicates a shared set of commitments that will guide us as a professional team in integrating CR into AXA's core business and culture. Main points in the charter are 'monitor and control the honesty and accuracy of our messages' (e.g., avoid misrepresenting the CR aspects of our insurance products or services), 'strive to communicate how we run our business in a responsible way' (e.g., highlight how our business benefits society), and 'be exemplary regarding environment, and walk the talk' (e.g., look for ways to reduce our own impacts on the environment as regards travel, paper consumption, and energy use). Our Compliance Guide and Code of Ethics govern topics such as the whistleblower policy, money-laundering, data protection, and compliance reporting obligations.



Questions

1. Would you describe Thomas as a CSR professional or a communications professional? How do both roles come together here?
2. What types of 'good' communication can you spot in the way Thomas describes his work?
3. What instances of Twalking can you identify?

PROFESSIONAL PROFILE

Cansu Gedik



My name is **Cansu Gedik**, and I am a project coordinator at Mikado Consulting, a Turkey-based consultancy that crafts innovative solutions for sustainable development.

Strategizing practice. My responsibilities include building and executing the corporate responsibility and sustainability strategy, planning and preparing the sustainability reports, development and coordination of community investment projects of the companies we work with. I have been coordinating the ‘Business and Human Rights Capacity Development Programme’, a one-year project consisting of trainings and mentoring for participant companies funded by the Consulate General of the Netherlands in Turkey. My colleagues and I are also responsible for the management of our blog and social media accounts.

A day at work. As a sustainable development consulting company, we are engaged in a wide range of tasks and the activities we carry out during a day vary considerably according to the projects we work on. I feel lucky that my job does not have a lot of repetitive work and that it allows me to be creative.

Strategic planning for sustainability takes a significant amount of my time especially when we have new clients, when we revise our yearly plans with our existing clients, and when we embark on new projects.

I assist and coordinate the processes and activities that serve the corporate responsibility strategies of the companies we work with. Planning and content management for sustainability reports of our clients take a considerable amount of time and effort especially in the first six months of the year.

I prepare training content for our corporate trainings. I carry out research on various subjects related to responsible management and sustainability. I follow the global corporate responsibility and sustainability agenda and share relevant information with our stakeholders on our blog and social media accounts.

ERS in my job. Ethics, responsibility, and sustainability are at the core of my job. Mikado assists private sector companies in developing and implementing their corporate responsibility and sustainability strategies in order for them to meet their responsibilities towards their internal and external stakeholders in an ethical, transparent and accountable manner. We help companies to have ethically driven and responsible corporate governance and a well-balanced triple bottom line.

We embed stakeholder engagement processes into the governance of every organization we work with. We also guide them in developing monitoring and evaluation mechanisms and encourage them to report their performance and impact so that they can be more transparent towards their stakeholders.

Mikado, well aware of NGOs’ crucial role in fostering democratization and active citizenship, assists them to strengthen their organizational capacities and expand their social impact. As a social enterprise, Mikado itself is an ethically driven company. We are proud to be a Certified B Corporation.

Theory for practice? While consulting companies in responsible management, we carry out a very similar process to the ‘Strategizing Process’ introduced in the Chapter.



With the Sustainability Committees of our clients, we revise the vision and mission statements and prepare a sustainability policy statement. We realize SWOT analysis, taking both internal and external environments into account and decide on the strategy and a set of actions. We guide them in implementing the strategy. This involves both 'hardwiring' and 'softwiring'. Softwiring is especially important since it enables a change in corporate culture. In order to achieve this transformation, we provide trainings, introduce a sustainability approach to leadership mechanisms, encourage employee volunteering etc. We constantly review, evaluate and improve the strategy.

Recommendations. I would recommend them to be inquisitive and never lose their enthusiasm for research on responsible management and sustainability since new approaches and tools emerge each day. I would also suggest them to track best practices in the field; it is both informative and motivating to learn what has been achieved.

Also, top management's support is crucial for corporate responsibility. Hence, they have to make sure that top management understands and communicates (both verbally and non-verbally) the value of being a responsible company. Finally, I would recommend consultants in the field to make sure that they establish lasting and self-sustaining structures and processes, which will continue to exist even after they cease assisting the company.

Challenges. Since responsible management and sustainability are highly dynamic fields, one has to spend significant amounts of time and effort in order to keep track of the progress. In addition, although there may be some low hanging fruits, many of the sustainability initiatives have long-term and intangible returns. Moreover, in many cases, it is rather difficult to measure the impact those initiatives create.

Questions

1. What are the top three pieces of advice that Cansu provides in this text?
2. What is Cansu's attitude towards the lowest-hanging fruits of e.g. established sustainability initiatives?
3. Do you think Cansu has an interesting job? What would you change in her personal sphere of influence to become an even better strategist?

PROFESSIONAL PROFILE

Doru Mitrana



My name is Doru and I am an environmental and social activist, and managing director of MaiMultVerde (MuchMoreGreen), the NGO I co-founded to achieve environmental and social impact by developing educational, advocacy, entrepreneurship and volunteering projects, programmes and campaigns in Romania.

My responsibilities. I am in charge of coordinating the overall activity of the organization in line with the status, values, aim, and objectives. I work with the management team to set the yearly strategy and objectives, and working over the year to accomplish them. I also represent the organization in relation to public authorities, companies, board members or fellow organizations. Finally, I am in charge of the fundraising function of the organization.



A typical day. The daily routine includes tasks across varieties of different areas of the business:

- financial management: approving payments, checking financial and fiscal reports, forecasts, etc.
- HR management: status meeting with all staff or specific departments or projects team, but also counselling and discussions, planning and evaluating, interviewing when necessary.
- fundraising: setting up meetings, exchanging e-mails or telephone calls with representatives of active and potential funding organizations, private or public.
- project management: keep a close relationship with the project managers, for a close eye on the project status.
- communication: articles, interviews, press conferences, online/social media reactions. Keep permanent contact with all relevant stakeholders and continuously act as liaison between the inner and outer part of the organization.

Ethics, responsibility, and sustainability. MaiMultVerde promotes corporate but also general responsibility towards the society and the environment. The success of the organization, or even its very existence, depends on the way we walk our talk. Being credible for companies, environmental activists, public authorities, and the general public at the same time, is only possible when the organization is the first to adopt and apply the changes it promotes.

MaiMultVerde promotes sustainability by proposing sustainable projects and advocates for responsibility and ethics in corporations and politics by being the first to act responsibly. Being continuously in the public eye is a great asset for the organization but can also be lethal if the credibility would be challenged.



The values of the association are continuously and strongly pressed by the financial, fiscal, political or social environment but at the same time are well defended by the 'participatory democracy' adopted for decision-making. Having all members of the core team and extended team active in the decisional process makes it easier for the organization and for me to keep the right track.

MaiMultVerde's projects are placed exactly between public, private, and non-profit sector, 'borrowing' characteristics from all three. Having a rigorous explanation for this position is useful for any argumentation of where we are and what we stand for.

Challenges. Here is a list of the main challenges I encounter: (1) Resisting the ‘temptations’ of other sectors, like a nine-to-five, cosy, well-paid job with no extra worries in the public or private sector. (2) Having a lot of patience in waiting for the true social and environmental results to show up. (3) Having to convince everyone, everyday that the way you are promoting is the right way, that you are not just an extravagant, exotic being but you actually understand the world around you and choose to be different because different is what we need to be.

Recommendations. Social entrepreneurship has a very strong, personal motivation. Starting a social-value-adding venture must be preceded by an introspective analysis of the entrepreneurs and their true motives, aspirations, and beliefs. Walking the talk, staying in the public eye with the head up high and allowing public scrutiny and input in the decisional process, are key elements for success in this sector.

Questions

1. Would you see Doru rather as an entrepreneur or a manager? How does your judgement relate to his apparent characteristics and tasks? What kind of entrepreneur do you think he is?
2. If you were Doru, under what conditions do you think you would stop resisting ‘the temptations of other sectors’? What do you think these temptations might be?
3. What stage of the entrepreneuring process life cycle do you think Doru and his venture are and why?

PROFESSIONAL PROFILE

Adela Metlicka Lustykova

Hi, my name is Adela and I am a Marketing and PR specialist at Chládek & Tint'era, Inc., a construction company with a universal production schedule operating in the Czech market.

Responsibilities and activities. I am responsible for treating brand, reputation and the visual face of the company (including paperback presentations, business cards, e-commerce and CSR activities), active sales role in key sales opportunities, direct B2B communication, fair representative, managing CSR activities.



Typical activities are to seek for potential business partners and ventures with the target of private investors mainly, direct communication with investors, partners, and customers, making reference sheets and other graphic presentation materials, development of online presentation.

ERS in my job. Sustainability, responsibility and ethics are core issues that have been respected through the whole company since its founding. The triple-bottom line concept is rooted in the company culture that no one really needs to think how to act. In some cases sustainability is a mirror of some law requirements but on the contrary responsibility is needed for successful communication with stakeholders and so is practiced rather intuitively. When dealing with business partners or other stakeholders, we are always precise on what we promise, never are non-transparent and take full responsibility for every action and every subcontractor. In case of ethics, employees are aware of the company's values and deal according to them. This creates the common good and becomes the company culture.

Integrated marketing and stakeholder communication. External stakeholder communication is a topic that is very important for my company. For a proper marketing communication, we are very sensitive in building familiar relationships with investors, business partners or governmental organizations. In this case effective communication must be applied and creating positive awareness shows a part of our brand image. That is also connected to the marketing mix that we shape in a responsible manner. But firstly, we care about proper internal communication that must be effective. Otherwise the further processes are not.

Also, my company touches the intensity of communication, which is rather low. There are CSR activities effectively put into reality but no one talks about them, the company is rather shy. That is the reason why we have started to focus more on the visual face of the company as a part of our external communication.

Also, crisis communication plays a crucial role. When facing some negative affairs in the past we needed to solve the issue without harming anyone. We always did it in a responsible manner because we are aware that such a topic can destroy our reputation as well as good relations with stakeholders.

Don't invite disaster! Even though I have heard a lot that CSR is only another trend and marketing step I do believe that when responsibility in all terms is not settled in the key governing documents as well as the strategy of the company or at least at the consciousness of the top management and the owners, it sooner or later causes a disaster. By this I would recommend to rather not try to involve any CSR topics into account when there is no belief in that. Also, I better



recommend following the principle of ‘talking the walk’, which avoids the greenwashing and shows that you really mean it. Also, it is important to clarify that CSR is not just a part of marketing but should be integrated within the whole company, across all departments, with the support of the top management, owners and other employees.

Challenges. As the most challenging, I see the point that CSR is still in progress and forms that are being practiced now can be easily changed in the near future. Also, I feel the same in the case of marketing. Communication practices have been changed according to the changing environment, further development and innovations. This all is very challenging because there is a never-ending shift that always brings something new and interesting.

The tricky case of ‘construction.’ I would like to add that the construction business is completely a different case in which I see that behaving responsibly reflects mainly the good intentions of the owners. Even though that responsible performance can be evaluated from the long-term, and also be beneficial for the company in case of goodwill creation, there are such specific principles that need to be followed in the sphere of construction that even an irresponsible company may stay in the market for a long time. Of course, those may be critical in terms of employing the right people and continuously it shows how well the company acts and reacts but in some cases I see it hard to find strong arguments for why the construction company should be responsible.

Questions

1. How is it that marketing, public relations, and social responsibility are integrated in Adela’s job?
2. What can we learn from Adela about integrative marketing communication? How is what Adela does in her job ‘integrative’?
3. Connecting to Adela’s statement about the construction industry, how do you think industry characteristics may influence responsible marketing management?

PROFESSIONAL PROFILE

Daniel Ette

Hi, my name is Daniel and I am working as a sustainability controller for the high-end sanitary fittings manufacturer Grohe.

Responsibilities of a sustainability controller. My main responsibility as a sustainability controller is to be seen introducing sustainability into management accounting and controlling thinking. Controlling's methodological competence must be extended from a mere financial focus towards the recognition of economic, ecological, and social topics, so that our controlling can be a holistic business partner for the management board.

In order to achieve that, my responsibilities include setting up a valid database and agreeing on KPIs together with the management. Moreover, it is my responsibility to convince co-workers, management and employees that responsible thinking is important. As a sustainability controller I strive towards a mindset change within the corporation.

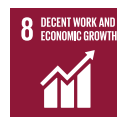
A day at work. For me, being a Sustainability Controller means setting up a controlling solution for sustainability. An IT-based controlling solution was developed to generate reliable data in the field of the triple bottom line. Now, sustainability data can be reported in the same cycles as key financial figures, by using SAP-based tools. That led to the implementation of automatically available KPIs within a sustainability dashboard, called 'Hansgrohe Sustainability KPIs'.

In the day to day business, deviations from targets are evaluated in order to be able to take effective corrective actions. The result is that the respect for the environment, social factors, and economic success is combined efficiently and integrated systematically into business processes.

Moreover, since we have implemented sustainability investment criteria. Investments are being evaluated not only on a monetary basis, but also in a social and environmental understanding. Last but not least, the evaluation of environmental footprints of more and more products requires the support of sustainability controlling.

Accounting and stakeholders. The goal of sustainability controlling is to be seen in maintaining the long-term viability of the corporation and at the same time showing respect for the members of our society and the environment. It is not the issue about doing some philanthropic actions. Rather, sustainability controlling deals with the question of how the interests of shareholders, as well as the interests of other stakeholders like the employees or the neighbourhood can be satisfied. The triple bottom line comes into play by extending investment evaluation towards a holistic picture. Controlling itself has a lot to do with accountability and honesty. Controlling is required to support management with accurate and reliable data. Yet, a sustainability controller must also take into account that people always have to be treated with respect and cannot simply be quantified in monetary terms. Sustainability controlling, thus, is not only about figures but also about the relationships of management, employees, other stakeholders and controlling itself.

Phases and tools of sustainability controlling. The work of a Sustainability Controller is linked to all phases mentioned in the chapter. I am highly involved in gathering suitable data and in evaluating it. At the beginning, it must be clarified, which of the indicators are material and help to steer the corporation. Especially the questions of *what*, *who* and *how* help a lot to not lose sight in the complex context of sustainability controlling. In this sense, also the *materiality map* is helpful. For a powerful



controlling and management accounting, it is crucial to focus on the things that are most relevant, especially the sustainability metrics from the Global Reporting Initiative are of importance in terms of reporting. The Global Reporting Initiative constitutes a good basis on which a sustainability controlling can be set up. However, it is important to link to requirements of external stakeholders and those of management when it comes to the question of which KPIs should be measured and how they should be presented.

As always in controlling, a sustainability controller deals with gap-analyses and supports management to take corrective measures – in my position, corrective measures with respect to social, environmental, and economic issues.

The key role of controlling. It is important to realize that controlling and management accounting is in a crucial position when it comes to the question of how sustainability can be introduced into a corporation. Controlling, with its cross-departmental tasks and connections, can be a driver towards sustainability. To do so, methodological competences are necessary, as shown in this book. A valid database is one of the most important aspects. Only with this, targets can be set, deviations can be evaluated and measures can be derived.

However, it is of substantial importance to understand that one cannot make a corporation responsible by only taking hard facts into account. Controlling is required to change its own mindset and to nudge management and employees towards a holistic thinking in terms of responsibility and sustainability. Hence, sustainability controlling is not number crunching. It is about steering a corporation towards responsible behaviour by making responsibility a central issue.

Main challenges of my job. One of the most challenging points can be seen in convincing managers and employees that environmental and social factors are of importance – besides monetary ones. Moreover, as a Sustainability Controller, one must master the balancing act of being a trustworthy business partner for management and of being an enthusiastic driver towards more responsibility and sustainability.



Questions

1. Would you have thought the work of a Sustainability Controller would be like Daniel has described? What aspects are different and which ones are similar to what you thought it was about?
2. What do you think might be the top three social, environmental, and economic (one for each) sustainability indicators for management in a business like Grohe?
3. What stakeholders do you think Daniel may consider when doing his work and what indicators do you think he might use to provide relevant information for them?