

# **Corporate Moral Responsibility Manual**

Frans Brom  
Erik de Bakker  
Marian Deblonde  
Ronald de Graaff

February 2006

LEI, The Hague



# Contents

	Page
<b>1. An overview of the ethical toolkit</b>	5
1.1 Introduction	5
1.2 Short description of the tools to facilitate food chain value communication	6
1.3 Resources, time and output	9
1.3.1 What are the resources required?	9
1.3.2 What is the necessary time frame?	9
1.3.3 What can you achieve?	9
1.4 Use of the tools for facilitating food chain value communication	12
1.4.1 Starters kit	12
1.4.2 Advanced kit	13
1.5 Reflecting on the context	14
<b>2. Preparation tools</b>	17
2.1 Integrity check	17
2.1.1 Description of the tool	17
2.1.2 Output of the tool	18
2.1.3 Theoretical background	18
2.1.4 Performing the tool	18
2.1.5 Strengths, limits and pitfalls	19
2.2 Stakeholder salience map	20
2.2.1 Description of the tool	20
2.2.2 Output of the tool	21
2.2.3 Theoretical background	21
2.2.4 Performing the tool	21
2.2.5 Strengths, limits and pitfalls	24
<b>3. Mapping tools</b>	27
3.1 Concerns map	27
3.1.1 Description of the tool	27
3.1.2 Output of the tool	28
3.1.3 Theoretical background	28
3.1.4 Performing the tool	28

3.1.5	Strengths, limits and pitfalls	30
3.2	Ethical matrix approach	31
3.2.1	Description of the tool	31
3.2.2	Output of the tool	32
3.2.3	Theoretical background	32
3.2.4	Performing the tool	32
3.2.5	Strengths, limits and pitfalls	34
<b>4.</b>	<b>Balancing tool</b>	<b>35</b>
4.1	Value assessment	35
4.1.1	Description of the tool	35
4.1.2	Output of the tool	35
4.1.3	Theoretical background	36
4.1.4	Performing the tool	36
4.1.5	Strengths, limits and pitfalls	37
<b>5.</b>	<b>Action tool</b>	<b>39</b>
5.1	Responsibility assessment	39
5.1.1	Description of the tool	39
5.1.2	Output of the tool	40
5.1.3	Theoretical background	40
5.1.4	Performing the tool	40
5.1.5	Strengths, limits and pitfalls	42
<b>6.</b>	<b>Evaluation tool</b>	<b>43</b>
6.1	Reflection & evaluation	43
6.1.1	Description of the tool	43
6.1.2	Output of the tool	43
6.1.3	Theoretical background	43
6.1.4	Performing the tool	43
6.1.5	Strengths, limits and pitfalls	45

# 1. An overview of the ethical toolkit

## 1.1 Introduction

In the last decennia economic enterprises in the food chain have increasingly been confronted with concerns of different stakeholders, such as consumers, governments, pressure groups and others, related to technological innovations and modern biotechnologies. As a consequence, a growing number of corporations became involved in corporate social responsibility (CSR). Our principal aim is to stimulate and facilitate food chain value communication within the broader context of CSR. For that purpose we have developed the Corporate Moral Responsibility-kit (CoMoRe-kit). Food chain value communication is conceived as a process of clarifying and deliberating corporate and stakeholder values and taking up actions and responsibilities. The intended users are first of all individual firms that already adopt CSR and are still searching for or interested in methods that can clarify the corporation's and its stakeholders moral identity and improve stakeholder dialogue. Our instrument can be helpful to understand the contradiction between corporate values and interests. That is also known in business ethics as the many hands dilemma and is addressed in the 'integrity check' that is part of the developed CoMoRe-kit.

The domain of agricultural and food production covers a vast array of concerns and values. The question arises which major concerns can be identified. On the basis of our previous research we believe that societal concerns about new technologies in the food chain can be brought back to nine concerns. These nine concerns are in our view directive for the development and use of ethical tools with respect to new technologies in the food chain (see Box 1). Not all concerns have the same status. Transparency and traceability enable solutions for possible problems in the domains of the intrinsic concerns. Therefore, the last two concerns (transparency and traceability) can be seen as conditional (or process) concerns, while the other concerns are intrinsic and have substantial content as they are. The nine concerns summarised in Box 1 cover most, if not all, societal concerns in the domain of agricultural and food production. They can serve to broaden the perspective of corporations on social and ethical issues.

Corporations in the food chain are not only regularly confronted with social issues and concerns of different stakeholders; they are also increasingly involved in a global economy. Awareness of the diverse socio-cultural, legal and political contexts, e.g. double standards, becomes ever more important. Our tools to facilitate food chain value communication could help to clarify and communicate

the moral complications of these diverse contexts with respect to new technologies. In this context the tools to facilitate food chain value communication could also be useful to gain a better understanding of different national or regional cultures of entrepreneurship and professionalism. The intended users are first of all individual firms that already have an ongoing dialogue with stakeholders or are on the verge of developing such a dialogue.

Food security	To what extent is the total amount of food in the world sufficient and fairly distributed?
Food safety	To what extent can we trust that our food is not dangerous for our health?
Food quality	To what extent is food authentic and nutritious and does it contribute to a healthier lifestyle?
Human welfare	To what extent are labour relations and a fair social distribution of resources threatened with (further) deterioration?
Animal welfare	To what extent are animals treated well and with respect?
Ecological sustainability	To what extent do we take care for our natural environment and does our development not compromise the living conditions of future generations?
Sovereignty	To what extent have the people (of local communities, regions, countries) the right to produce their own food?
Transparency	To what extent are firms in the food chain transparent about their methods of production?
Traceability	To what extent is it possible to trace back the different sources of food products in the (increasingly complex) food chain?

*Box 1 An overview of the 9 directive concerns of the tools to facilitate food chain value communication*

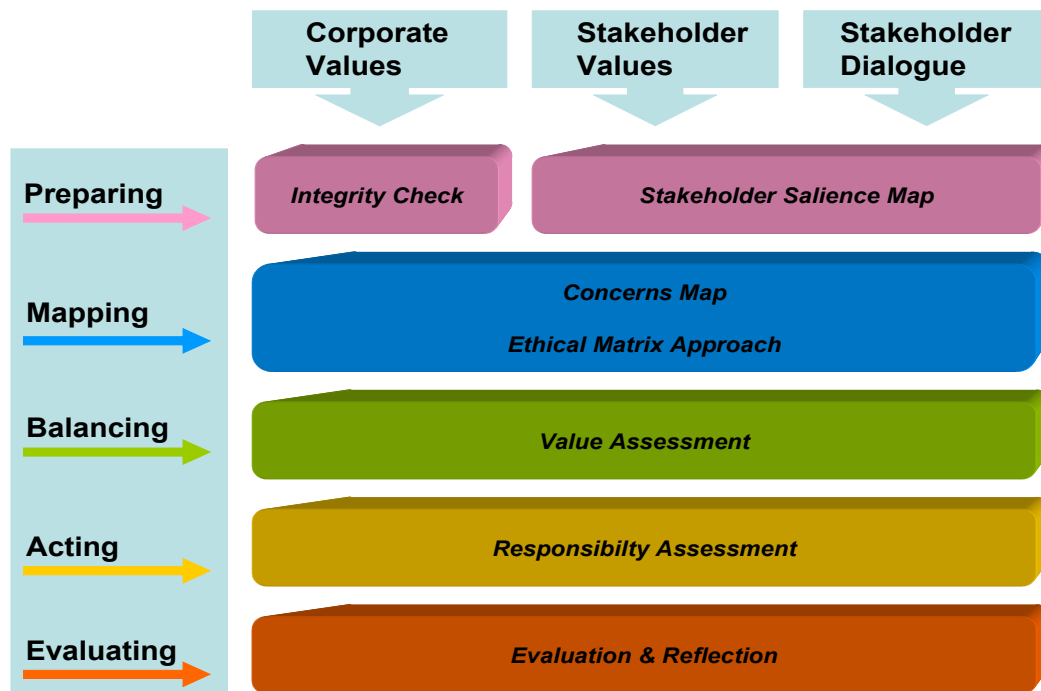
## **1.2 Short description of the tools to facilitate food chain value communication**

The CoMoRe-kit is built on the idea that food chain value communication consists of three different dimensions that are usually intertwined with each other. For these three dimensions we developed seven tools, which can be used in 5 different phases of the communication (see the diagram in Box 2). The three dimensions of food chain value communication are:

- clarifying corporate values: What concerns, ethical values and identity does the corporation itself have, and how can these values and concerns be morally discussed in a profound manner;
- clarifying stakeholder values: What concerns and ethical values does a corporation ascribe to its stakeholders;

- stakeholder dialogue: How can the moral values of the corporation and its stakeholders be communicated and debated, and how can actions and initiatives that comply with these values be assigned and taken up.

As Box 2 shows the basic processes in food chain value communication can be subdivided into five phases:



Box 2 An overview of the corporate moral responsibility-kit (CoMoRe-kit)

The CoMoRe-kit consists of seven different ethical tools:

Integrity check (preparing clarification of corporate values): A check on organisational qualities (clarity, supportability, visibility and discussibility) that determine the possibilities of open debate within the firm (Kaptein, 1998):

- Stakeholder saliency map (preparing clarification of stakeholder values and stakeholder dialogue): A method to gain insight in relevant stakeholders (now and in the future) on the basis of three stakeholders attributes power, legitimacy and urgency (Mitchell et al., 1997);
- Concerns map (mapping): A method to gain an insight into the main concerns and the (discussion about the) facts that are related to these concerns of corporations and/or other stakeholders (Beekman & Van der Weele, 2004);

- Ethical matrix approach (mapping): A method based on the main ethical traditions to translate the societal concerns into corporate and/or stakeholders values and illuminate the normative principles behind these values (Mepham, 2000);
- Value Assessment (balancing): A method to structure corporate and/or stakeholders' values in a way that reflects the relations between various values and their relative importance or weight;
- Responsibility Assessment (actions): A method to define and assign responsibilities and actions to the appropriate persons or organisations;
- Evaluation & reflection: A critical evaluation and reflection of all 'ethical activities' that have been done, especially with respect to the fair treatment of stakeholders.

The use of an integrity audit in the preparing phase of clarifying corporate values and the evaluation in the final phase ensure reflection with respect to possibilities of open ethical debate both within the firm and with respect to (external) stakeholders. The evaluation & reflection and the integrity check both build strongly on the business ethics approach of integrity audits (Kaptein & Wempe, 2002).

The concerns map functions as a first acquaintance with the moral reasons connected with certain concerns. The other mapping tool, the ethical matrix approach (Mepham, 2000), is based on the criteria of welfare, autonomy and justice. These criteria represent the most important traditions in ethical theory and can be useful to find out about different ways of ethical reasoning and justifying. For instance, an enterprise can be worried about a new biotechnology (i) because of its (positive, neutral or negative) effect on human welfare, (ii) because it does not fit a certain moral obligation, or (iii) on the basis of comparison with similar situations (in the past) and practical analysis of the social context. Justification differs in the various ethical traditions and related ways of ethical reasoning.

Value assessment and responsibility assessment originally stem from the ethical method of value-tree analysis. In our CoMoRe-kit we have split up the value-tree analysis into two instruments for different phases. These tools serve to deepen ethical deliberation in order to reach consensus (a) on the most important ethical values regarding problematic issues and concerns; and (b) the actions and initiatives needed to realise these values.



## **1.3 Resources, time and output**

### **1.3.1 What are the resources required?**

The application of this tool to facilitate food chain value communication requires a co-ordinator who should take care that the group sessions for the different tools are well organised and proceed smoothly and efficiently. Another precondition is a qualified and experienced chairman who can make sure that the participants feel at ease, who is able to explain the different exercises of the tools, who can clarify the aim of the exercises, situate the tool in the overall context of the tools to facilitate food chain value communication, and so on. It will be dependent on the size and 'social and ethical experience' of the corporation if external consultants are felt necessary to supervise or support the use of the tools to facilitate food chain value communication. For the competent use of these toolkit training of the facilitator is required.

A further basic requirement is a representative group of corporate members who are responsible for or confronted with the actual aspects of a corporation's ethics and who will be able to perform the chosen tools to facilitate food chain value communication. The users of the tools can be line managers, heads of departments, representatives of trade unions, members of health/security/environment committees. In the context of stakeholder dialogue the users can also be representatives of external stakeholder groups.

### **1.3.2 What is the necessary time frame?**

Decisions on timetables of the various sessions depend on the organisers. They can either place the various sessions in one day or on a few consecutive days or spread them over a longer period of time with shorter or longer intervening periods. A more exact estimation of the time necessary would be possible only after testing the CoMoRe-kit.

### **1.3.3 What can you achieve?**

The CoMoRe-kit can help a corporation, first, to be better aware of its own integrity and, hence, to improve it if necessary. Second, it helps the corporation to achieve a clear and well-founded view of its own responsibilities and the responsibilities of its stakeholders with respect to new technologies. On the basis of this view, a corporation is better prepared to enter into debates with its employees, its customers and shareholders, local communities, government institutions and NGOs, and with the broader public. Third, the corporations will

be able to formulate concrete steps and actions to tackle or reduce certain concerns that might be caused by the introduction of new technologies. Fourth, they may agree on reciprocal obligations or common ideas with some of their stakeholders or with other corporations in the same sector. Fifth, they may even see needs and possibilities for common projects. The CoMoRe-kit can, thus, help corporations to improve their performance and their various relations.

Furthermore, since corporations in the food chain are increasingly involved in the global economy, awareness of the diversity of socio-cultural, legal and political contexts becomes ever more important. Our ethical tools can help to clarify and communicate the moral complications of different institutional and social contexts with respect to new technologies. In this context the tools are also useful to gain a better understanding of different national or regional cultures of entrepreneurship and professionalism.

The users of this toolkit have to decide which ethical tools are most valuable and useful for their specific situation (see Box 3 for an overview of the output of the different tools.) Users should feel free to choose the tools they consider most appropriate for their current situation. For instance, a firm can decide to skip value assessment for exploring the dimension of corporate values because there might already be corporate procedures that deal with the discussion and prioritisation of different values and because cultures are already discussed in a corporation.

It is also possible that a corporation, which considers itself inexperienced in ethical deliberation and stakeholder dialogue, starts carefully with the CoMoRe-kit and restricts itself to debating concerns internally in the context of clarifying corporate values. Doing so, such a corporation could even decide to proceed immediately from the mapping phase to the actions phase if there are good reasons to believe that finding internal consensus in the context of value assessment would be extremely hard. In that case the output of the concerns map and the ethical matrix approach serve as a rudimentary basis for defining and assigning responsibilities. Nevertheless, such a short-cut use of the CoMoRe-kit could mean a (first) major step forward in food chain value communication within the broader context of CSR.

Phase	Tool	Output
Preparing	<i>Integrity check</i>	A clear view of potential corporate participants Insight into the organisational requirements and integrity regarding internal ethical deliberation
Preparing	<i>Stakeholder salience map</i>	Identification, characterisation and prioritisation of relevant stakeholders
Mapping	<i>Concerns map</i>	CORPORATE VALUES A list of corporate concerns from the perspective of the corporation A list of the normative reasons behind these concerns STAKEHOLDER VALUES A list of stakeholder concerns from the perspective of the corporation A list of the normative reasons behind these concerns STAKEHOLDER DIALOGUE A list of relevant concerns from the perspective of both the corporation and its relevant and legitimate stakeholders A list of the (possible) normative reasons behind these concerns
Mapping	<i>Ethical matrix approach</i>	CORPORATE VALUES An overview of important corporate values considered from the corporation's perspective STAKEHOLDER VALUES An overview of important stakeholder values considered from the corporation's perspective STAKEHOLDER DIALOGUE An overview of important values considered both from the corporation and its stakeholders perspective
Balancing	<i>Value assessment</i>	CORPORATE VALUES A hierarchical ordering of important corporate values considered from the corporation's perspective STAKEHOLDER VALUES A hierarchical ordering of important stakeholder values considered from the corporation's perspective STAKEHOLDER DIALOGUE A hierarchical ordering of important values considered from both the corporation's and its stakeholders perspective

Acting	<i>Responsibility assessment</i>	<p>CORPORATE VALUES</p> <p>An overview of responsibilities considered from the corporation's perspective</p> <p>An overview of actions and initiatives assigned to persons or organisations considered from the corporation's perspective</p> <p>STAKEHOLDER VALUES</p> <p>A (reconsidered) overview of responsibilities considered from the corporation's perspective</p> <p>A (reconsidered) overview of actions and initiatives assigned to persons or organisations considered from the corporation's perspective</p> <p>STAKEHOLDER DIALOGUE</p> <p>A (debated) overview of responsibilities considered both from the corporation's and its stakeholders perspective</p> <p>A (debated) overview of actions and initiatives assigned to persons or organisations considered from both the corporation's and its stakeholders perspective</p>
Evaluating	<i>Evaluation &amp; reflection</i>	<p>Insight into the level of integrity of the corporation with respect to the different interests of its stakeholders</p> <p>Corporate awareness of political, economic and cultural constraints in the context of CSR</p>

Box 3 Overview output different tools

## 1.4 Use of the tools for facilitating food chain value communication

### 1.4.1 Starters kit

Corporations that want to broaden their scope on the normative aspects of (new) bio-technology but see themselves as inexperienced in the field of ethics can decide to choose tools that are relatively easy to perform. Concerns map and the ethical matrix approach are relatively easy tools that can clarify the concerns and normative position of a firm regarding new technologies and different stakeholders. These tools may give impetus to further ethical deliberation.

Table 1 shows an example of a concerns matrix. The follow-up tool, the ethical matrix approach, helps to translate the concerns discussed into ethical values by making explicit which actors are (possibly) affected by the actual situations a corporation worries about and which ethical principles underlie the normative reasons why a corporation is worried. The ethical matrix is built on criteria that represent the most important ethical traditions. These criteria of welfare, autonomy and justice are useful to find out which different ways of reasoning can be followed. For instance, an enterprise can be worried about a

new biotechnology (i) because of its (positive, neutral or negative) effect on human welfare, (ii) because it does not fit a certain moral obligation, or (iii) on the basis of comparison with similar situations (in the past) and practical analysis of the social context.

*Table 1 Example of a concerns matrix (tool 2a/step 1)*

Concerns	Main objective	Actual situation	Normative reason
Concern 1	Food safety	Uncertainty about toxicity of pesticides	Consumers must can rely on methods of agricultural production
Concern 2	Human welfare	Too much manure	Pollution of groundwater is wrong because it threatens human health
Concern 3	...	...	...

A basic tool that is also very well doable for corporations that see themselves as starters in the field of ethical deliberation is the stakeholder salience map. In order to effectively start a dialogue with those who have an interest in the functioning or are affected by the functioning of a company, a company has to know who its stakeholders are, the nature and basis of the stakes they hold, and whether or not they must be given priority. In the stakeholder salience map the participants attribute a rating to the three stakeholders attributes power, legitimacy and urgency. The map also includes a forecast of the occasions that may occur in the future. The stakeholder salience map will give the corporation a framework of reference that may ensure it will not be fully caught by surprise by new social issues asking for immediate ethical reflection. A well-discussed stakeholder salience map produces also important input for many other tools to facilitate food chain value communication.

A firm that feels inexperienced in ethical deliberation and stakeholder dialogue can decide to jump immediately from 'more easy' tools, that concentrate on discussing, analysing or debating concerns and values, to tools that focus on responsibilities. In that case the output of the more easy tools serves as a more rudimentary basis for defining and assigning responsibilities. Nevertheless, such a short-cut use of our tools to facilitate food chain value communication could mean a (first) major step forwards in food chain value communication within the broader context of CSR.

1.4.2 Advanced kit

Challenging but less easy to perform is the tool that aims at composing value structures (Value assessment). This tool serves to deepen ethical deliberation in

order to reach consensus on the most important (ethical) values regarding problematic issues and concerns. A value structure reflects the relations between the various values and, hence, their relative importance or weight. The guiding question is: Which values/objectives are the more general ones and which values support these general values. One can, further, assign weights to the various values according to their relative importance. The image of a tree will be helpful to rank the different values that participants bring forward. The more general values are, the higher they are situated in the 'value-tree'.

Reaching a common value-tree requires good preparation and hard efforts of the participants. True consensus in this context can be viewed as a great achievement. The same applies for the concerns map and the ethical matrix approach during the phase of stakeholder dialogue and the tool that focuses on 'responsibilities' of corporations and stakeholders. Especially the latter tools are challenging because they embody ambitious goals: Finding the responsible actor for certain concerns (the corporation, other stakeholders) and reaching agreement on the concrete actions that must be taken by the different parties involved.

## **1.5 Reflecting on the context**

One should always bear in mind that well-founded ethical solutions for problematic social issues are part of a long-term process and that these solutions need maintenance. Furthermore, value communication, the establishment of certain moral responsibilities and 'doing the right thing' should not be seen as a straight-forward linear process. There will and should always exist feedback loops between the various phases and dimensions of the process of value communication. Despite the participatory character of the tools, one should keep in mind that it offers always a partial picture. This is particularly the case when the tools are directed at clarifying corporate values. Then the participants are all members of the same enterprise; their perspectives might be influenced by this context, i.e. by the enterprise's economic position, its formal structure and its informal culture. The results of using particular tools for the exploration of particular dimensions must be seen as temporary results in an ongoing process.

Moral communication in the context of free market competition is often questioned. A genuine discussion about morality and ethics seems difficult, if not impossible, to realise in a market context. Economic interests, one could argue, contradict with the ethical prerequisites of non-strategic communication, which is characterised by open moral discussion and sincere involvement of the participants. Therefore, one could conclude that corporations are not in a

position to freely deliberate on moral issues. A cynic might add that moral statements of corporations are merely window dressing.

We cannot reassure that the CoMoRe-kit will solve this general dilemma. However, we do believe that corporations that are willing to participate in ethical debates should be offered some means that can help them in defining moral responsibilities and taking up actions. We think that this ethical toolkit is an improvement of the ethical instruments already available. Although we did not invent new ethical instruments, the CoMoRe-kit provides an arrangement of ethical tools that is better tailored to the needs and diversity of economic organisations within the food chain. By implementing the toolkit a corporation can avoid that sudden ethical concerns pop-up unexpected. Therefore it is helpful to use the CoMoRe-kit at the starting phase of the research and technology (RTD) process.

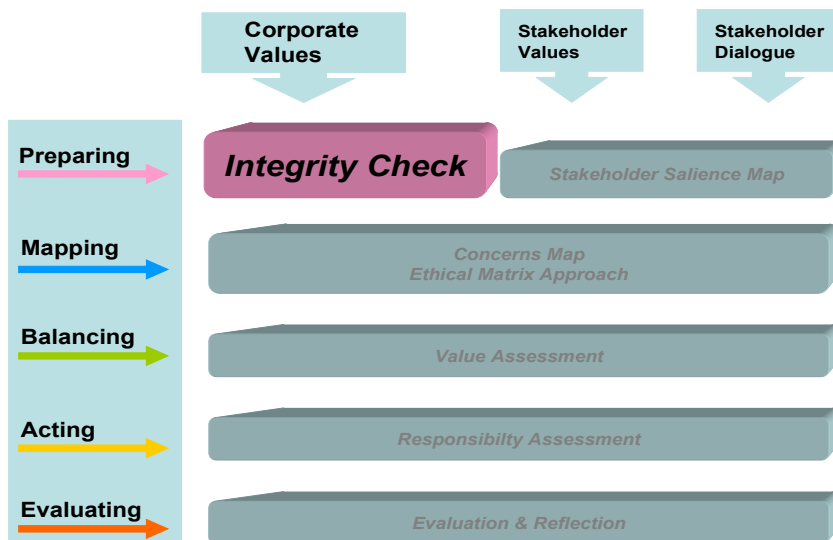




## 2. Preparation tools

### 2.1 Integrity check

#### 2.1.1 Description of the tool



A corporation is not a person of flesh and blood. Therefore, the responsibility of a corporation cannot be equated with the responsibility of a natural person. The many hands dilemma points at the ethical problem that internal specialisation and division of labour often lead up to the dilution of responsibility within modern corporations. Ethical discussion and reflection within the corporation are very much influenced by organisational qualities such as clarity, supportability, visibility and discussibility. These four qualities serve as a checklist to see if the problem of the many hands dilemma within the firm has been adequately dealt with.

### 2.1.2 Output of the tool:

- a clear view of the members of the corporation that should participate at the stage of self-clarification with respect to certain ethical issues;
- insight in the organisational conditions that are important for open discussion and could avoid the dilution of responsibility with respect to certain ethical issues;
- a sound organisational basis for ethical discussion and reflection. This organisational basis is a precondition for the use of the other tools of this toolkit.

### 2.1.3 Theoretical Background

The many hands dilemma points at the problem that the internal specialisation and division of labour, which characterises modern corporations, often leads to the dilution of responsibility. Who can be held responsible in specific situations and can a corporation bear moral responsibility as a whole (Kaptein, 1998; Kaptein & Wempe, 2002)? It is argued that within the corporation an organisational structure and culture exist that can be distinguished from the individuals who work within the corporation (ibid.). Because of the identifiable culture and structure that underlie corporate practices, it is possible to judge the actions, conscience and intentions of a corporation in moral terms.

### 2.1.4 Performing the tool

The co-ordinator of the ethical toolkit makes an inventory of the members within the corporation that have relevant experiences, types of knowledge, opinions, visions, perspectives with regard to the issue at hand. He or she selects a representative group that is responsible for or confronted with the actual aspects of a corporation's ethics. He or she also makes a proposal for the other steps and tools of the toolkit that seem appropriate for the corporation to perform within the next year.

During the integrity check session the proposal for further ethical 'work and reflection' and the four qualities of table 2 should be openly discussed. Is this proposal sufficient, can the various workers communicate openly with each other, do they mutually trust each other, are employees considered an essential sub-group of a corporation's 'self' or are they considered a particular stakeholder, and so on:

Organisational qualities	Many hands dilemma
Clarity	It is clear what functional responsibilities of employees are
Supportability	The organisation stimulates support for an adequate co-ordination between employees
Visibility	(Consequences of) conduct regarding the realisation of functional responsibilities can be observed
Discussibility	Dilemmas, problems and criticisms regarding realisation of functional responsibilities can be discussed

*Table 2 Organisational qualities and the many hands dilemma*

If the integrity check makes clear that some organisational qualities are in bad shape, steps must be taken to improve these conditions or at least to bring these bad shaped qualities to the notice of the management.

At the end of the session the question must be answered if the selected participants can be seen as a group that is qualified and representative to discuss the ethical issues at stake or whether adjustment and/or extension of the group is necessary. Agreement must be reached about the final composition of the group that will perform the ethical tools that have been chosen from this toolkit.

#### 2.1.5 Strengths, limits and pitfalls

- If the integrity check has been performed well, this will contribute to a sound social basis for the further use of this tool;
- The limits of this tool are organisational conditions in such a bad shape that internal discussion about social and ethical issues is difficult or hardly possible;
- A possible pitfall is that the internal debate about corporate integrity can result in disappointment among the participants because of too high expectations that cannot be fulfilled.

## References

### *Websites*

*www.ethicsmanagement.org is a website from the authors of "The Balanced Company".*

## Documents

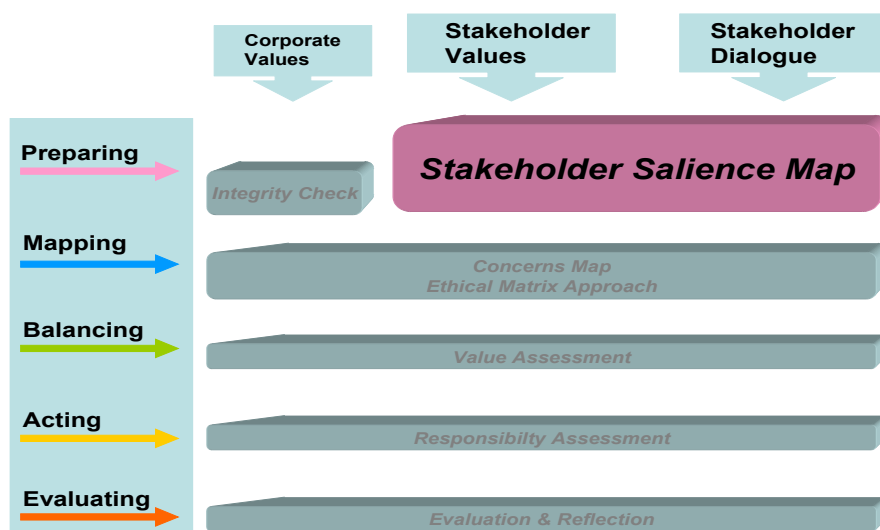
Kaptein, M., *Ethics management. Auditing and developing the ethical content of organisations*. Kluwer Academic Publishers, Dordrecht/Boston/London 1998.

Kaptein, M. & J. Wempe, *The balanced company. A theory of corporate integrity*. Oxford University Press, Oxford 2002.

Wempe, J., *Market and morality. Business ethics and the dirty and many hands dilemma*. Eburon, Rotterdam 1998.

## 2.2 Stakeholder salience map

### 2.2.1 Description of the tool



In order to effectively start a dialogue with those who have an interest in the functioning or are affected by the functioning of a company, a company has to know who its stakeholders are, the nature and basis of the stakes they hold, and whether or not they must be given priority. Stakeholder identification and diagnosis are necessary preconditions for a company in the food chain to arrive at a sound and sensible stakeholder dialogue. The tool consists of two parts:

- Part A
  - identify the relevant stakeholders;
  - typify the identified stakeholders according to the three dimensions;
- Part B
  - filling in the stakeholder salience map for each stakeholder;
  - prioritise the different stakeholders.

### 2.2.2 Output of the tool

The result of this tool is an inventory of stakeholders, a filled in salience map for each of the stakeholders (see Table 4), and a list of prioritised stakeholders. This map is an important input for the next tool ('Concerns map') and for the tool 'Value assessment' in the phase of the stakeholder dialogue.

### 2.2.3 Theoretical background

Our tool is based on the theory of stakeholder identification that reliably separates stakeholders from non-stakeholders and also explains to whom and to what managers within companies actually pay attention (which stakeholder claims are given priority?). This is the theory of stakeholder identification and salience of Mitchell et al. (1997), which distinguished 7 classes of stakeholders.

### 2.2.4 Performing the tool

#### *Performing part A*

- clarify the aim of the session:
  - identifying the relevant stakeholders of the corporations;
  - discuss with the participants who are the relevant stakeholders;
  - every participant writes down stakeholders on a 'post it' paper (use for every stakeholder a separate paper);
- gather the yellow papers and stick them on a white board:
  - check with the participants whether the list of stakeholders is complete.

Explain how to typify the stakeholders on the three dimensions: A company can identify its stakeholders by asking questions along the dimensions of power, legitimacy and urgency: What is the power of the stakeholder? Is the stakeholder able to impose its will in the relationship with the company? Does the claim of the stakeholder have legitimacy? Does the company perceive or assume that the actions of a stakeholder are desirable, proper or appropriate vis-à-vis the norms, values, beliefs and the definitions of the stakeholder, the company or society? How urgent is the claim of the stakeholder? Does the claim require immediate attention? How critical or important is the claim?

Depending on the answers to these questions, participants must decide which stakeholders and stakeholder claims must be given priority (stakeholder salience) and how to cope with them. Based on these questions, a typology of

stakeholders can be developed, helping companies to understand its stakeholder relationships and to engage in proper action towards its different stakeholders. On the basis of the answers on these questions 7 classes of stakeholders can be distinguished to which the firm should pay attention (Table 3).

Type of stakeholder	Characteristics
Dormant stakeholder	Does not exercise its power since claim lacks legitimacy and urgency. Little interaction with the company. Has the potential of acquiring legitimacy or urgency (e.g. person or organisation that commands the attention of the news media)
Discretionary stakeholder	Has a legitimate but not an urgent claim. Is unable to influence the company since the stakeholder lacks power. Is most likely to be the recipient of corporate philanthropy. No pressure on management to engage in an active relationship with this stakeholder (e.g. non-profit and volunteer organisations)
Demanding stakeholder	Has an urgent claim that lacks legitimacy. Stakeholder power is absent. Can be bothersome, but does not demand much management attention - if any at all.
Dominant stakeholder	Is powerful and legitimate, but has no urgent claims. Forms the 'dominant coalition' in the company. Expect and receive much management attention (e.g. employees, labour union representative in the company's board of directors).
Dependent stakeholder	Lacks power, but has a legitimate and urgent claim. Depends on others, like dominant stakeholders, having the power necessary to exercise the stakeholder's will (e.g. the natural environment itself)
Dangerous stakeholder	Has power and an urgent claim, but with the claim lacking legitimacy. Possible coercive and violent. Should be identified by management, but the claim should necessarily be acknowledged (e.g. employees with unlawful claims leading a wildcat strike, interest groups with purposely biased reports of a company's environmental performance).
Definitive stakeholder	Has power and a claim that is both legitimate and urgent. Also member of the 'dominant coalition' (e.g. stockholders seeing their stock values plummet).

*Table 3 Type of stakeholders and their characteristics*

Make small groups of two or three participants. Make also groups of stakeholders out of the list of stakeholders. Each working group must take a group of stakeholders and typify them according to the three dimensions (see Table 3). Discuss in a plenary session the results of the working groups and make a definitive typology of the relevant stakeholders.

*Performing part B*

Explain the stakeholder salience map: In the stakeholder salience map the participants attributes a rating to the three stakeholder attributes power, legitimacy and urgency (ranging from 'non-existent' to '+++ indicating a high degree of attribute presence). This exercise is done for the current situation ('current') and repeated for future situations ('potential', referring to the evolution of the stakeholder salience). See table 4.

Stakeholder name: Friesland Foods (main supplier of dairy products)						
Date: January 2005		Power	Legitima- cy	Urgency	Type	Management approach
Current		++	+		Domi- nant	Regular and active dialogue
Poten- tial	Likely evolution scenario	++	+	+	Defini- tive	Continuous and active dialogue
	Worst case evolution scenario	+++	++	++	Defini- tive	Continuous and active dialogue
Evolution-triggering future events		Upcoming reorganisation invoked by recessive industry developments Possible merger with biggest industry competitor				
Remarks		None				

*Table 4 An example of stakeholder salience mapping*

In the latter case, participants should assess the likely scenario of stakeholder salience evolution as well as a realistic worst-case scenario of stakeholder salience evolution from the perspective of the corporation. This will give the corporation a framework of reference that may ensure it will minimise the chance to be fully caught by surprise by the evolution of stakeholder salience.

After having established the type of stakeholder, participants should formulate the approaches (to be) taken accordingly based on the assessment. The stakeholder salience map also includes a forecast of the occasions that may occur in the future that influence the evolution of stakeholder salience.

When filling in the map the company should reconsider, and if necessary, revise its assessment of stakeholder salience on a continuing basis. Such an approach also allows for recognising varying degrees of power, legitimacy, and urgency - resulting in a stakeholder priority list within the abovementioned typology of stakeholders as well as awareness and anticipatory recognition of the company's stakeholders.

Divide into the former working groups and let the working groups fill in the stakeholder salience map for each stakeholder. Each working group presents its

stakeholders' salience maps and discusses them plenary; discuss the definitive priority of the stakeholders. The discussion about the filled in salience maps for the stakeholders should result in a priority list. This would enable participants to start with the third, fourth and fifth tool ("Ethical matrix approach", "Value assessment" and "Responsibility assessment") to gather a more fine-grained insight into the stakeholder relationships and to decide with which stakeholders to start a dialogue.

#### 2.2.5 Strengths, limits and pitfalls

- With the execution of this tool participants are 'forced' to think more thoroughly about whom the stakeholders are and how to typify and prioritise them.
- The participatory nature of this exercise makes that it results in a shared vision on the identification and prioritisation of the different stakeholders of the corporation.
- One should keep in mind that it offers a partial picture. Since the participants are all members of the same enterprise, their perspectives are unavoidably influenced by this context, i.e. by the enterprise's economic position, its formal structure, and its informal culture.
- Finding the stakeholders to participate in the stakeholder dialogue can be time consuming.

## References

### *Websites*

[www.csracademy.com](http://www.csracademy.com)

### *Documents*

Bowie, N., *A Kantian theory of capitalism. Ruffin lectures in business ethics*. Darden School/University of Virginia, Charlottesville VA 1994, 1-40.

Donaldson, T. & L. Preston, *The stakeholder theory of the corporation: Concepts, evidence, and implications*. *Academy of Management Review* (1995) 20, 65-91.

Evan, W. & R.E. Freeman, "A stakeholder theory of the corporation: Kantian capitalism". T. Beauchamp & N. Bowie (eds.), *Ethical theory in business*. Prentice-Hall, Englewood Cliffs NJ 1983, 75-93.



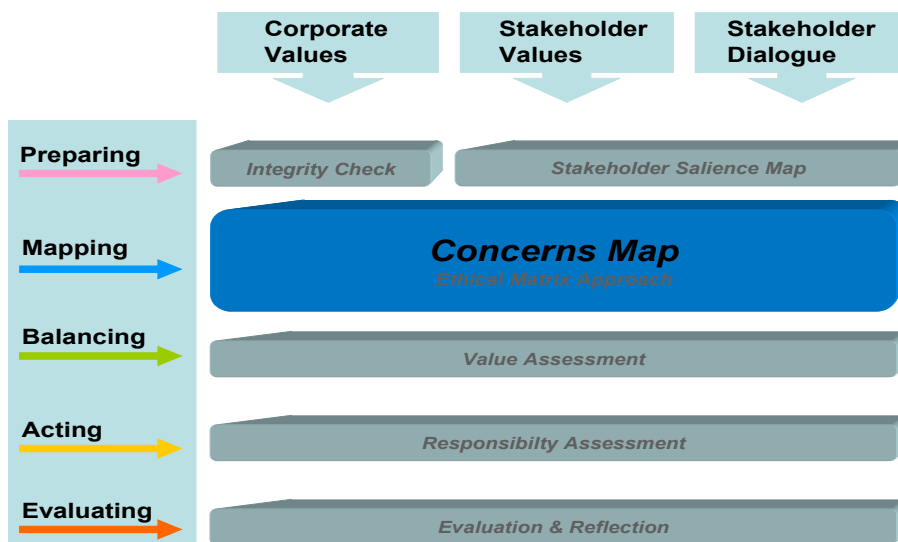
- Freeman, R.E., Strategic management. *A stakeholder approach*. Pitman, Boston 1984.
- Freeman, R.E., "The politics of stakeholder theory: Some future directions". *Business Ethics Quarterly* (1994) 4, 409-22.
- Kaptein, M., *Ethics management. Auditing and developing the ethical content of organisations*. Kluwer Academic Publishers, Dordrecht/Boston/London 1998.
- Mitchell, R.K., B.R. Agle & D.J. Wood, "Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts". *The Academy of Management Review* (1997) 22/4, 853-86.
- Wicks, A.C., D.R. Gilbert & R.E. Freeman, "A feminist reinterpretation of the stakeholder concept". *Business Ethics Quarterly* (1994) 4, 475-98.



### 3. Mapping tools

#### 3.1 Concerns map

##### 3.1.1 Description of the tool



Relevant values are, to start with, values that people perceive as being threatened. For that reason we suggest to take the concerns that individuals experience as a starting point for ethical deliberation. Our umbrella list of major values of the food sector - food security, food safety, food quality, human welfare, animal welfare, ecological sustainability, sovereignty, transparency and traceability - can be used as an initial input to guide participants' reflections on their concerns. The nine values/concerns will be directive for the development of our ethical 'toolbox' that should help corporations in agricultural and food production to ascertain their moral position and responsibilities with respect to new (bio-)technologies. The concerns within a corporation will be made explicit in two steps:

- step 1 - participants are asked to indicate which actual facts or situations trouble them (e.g. too much manure, use of antibiotics, demanding national/European rules);
- step 2 - participants are asked to give reasons why these actual facts or situations are troubling them (e.g. contamination of the soil results in health risks; only big, industrial farms will at the end remain; threatened animal welfare).

### 3.1.2 Output of the tool

The tool provides a corporation with a list of actual situations, both within and outside the corporation, that are awkward or perturbing with respect to the nine concerns - food security, food safety, food quality, human welfare, animal welfare, ecological sustainability, transparency and traceability - that we deem crucial for the agricultural and food sector. It also provides a list of normative reasons that explain why these actual situations are worrying. The inventory is an important input for the next tool ('Value assessment').

### 3.1.3 Theoretical Background

According to Draper (2000), a socially responsible company “*will seek and identify the concerns of its stakeholders and endeavour to treat those stakeholders fairly*” (quoted in Hopkins, 2003; 10). On the basis of our previous research we believe that the societal concerns about new technologies in the food chain can be brought back to nine values. Transparency and traceability enable solutions for possible problems in the domains of the intrinsic values/concerns. Therefore, the last 2 values/concerns (transparency and traceability) can be seen as conditional (or process) values/concerns, while the first 6 values/concerns are intrinsic and have substantial content as they are.

### 3.1.4 Performing the tool

Clarify the structure of the exercise. The participants will, first, write down their experiences individually (about 20 minutes). Second, these experiences will be gathered (about 15 minutes). Third, the participants will discuss some experiences in small groups (about 30 minutes). Finally, a shared inventory of concerns will be made (about 30 minutes);

Present the main objectives of the agricultural and food sector to the participants:

Food security	To what extent is the total amount of food in the world sufficient and fairly distributed?
Food safety	To what extent can we trust that our food is not dangerous for our health?
Food quality	To what extent is food authentic and nutritious and does it contribute to a healthier lifestyle?
Human welfare	To what extent are labour relations and a fair social distribution of resources threatened with (further) deterioration?
Animal welfare	To what extent are animals treated well and with respect?
Ecological sustainability	To what extent do we take care for our natural environment and does our development not compromise the living conditions of future generations?
Sovereignty	To what extent have the people (of local communities, regions, countries) the right to produce their own food?
Transparency	To what extent are firms in the food chain transparent about their methods of production?
Traceability	To what extent is it possible to trace back the different sources of food products in the (increasingly complex) food chain?

Check whether the participants do not object to these nine main values. If some of them have objections, make a quick inventory of their motives and consider whether they are of a normative or practical type. Save this inventory for the final evaluation, but continue as planned; Invite the participants to write down individually their experiences. The nine main concerns of the agricultural and food sector function as an initial input to guide participants' reflections on their concerns. Ask the participants to distinguish between the actual situations that worry them on the one hand and the normative reasons for these worries on the other hand. Consider the following table as an example:

Concerns	Main objective	Actual situation	Normative reason
Concern 1	Human welfare	Too much manure	Pollution of the groundwater is a threat for human health
Concern 2		...	...
...		...	...

*Table 5 Example of a concerns matrix*

Gather, without further discussion, the various experiences of the different participants and put them together in one table. The table offers a preliminary inventory of concerns and normative reasons:

- The participants form small groups (3-4 persons) and discuss those concerns of the preliminary inventory they deem controversial. It is important to consider whether the controversy relates to the presentation of the actual situation, to the normative reasons offered or to both. The participants of the small groups try to reformulate the concerns so that everybody within the small group can agree. If agreement is not achievable, invite the participants to come to an agreement with regard to remaining points of disagreement.
- The results of the group discussion are gathered again and presented in another table. A group discussion follows to adapt this table once more so that, at the end of the exercise, everybody can agree with the inventory of troubling actual situations, of normative reasons for them and of remaining topics of disagreement.

#### *Applying in the stakeholder dialogue*

Is it clear who will participate at the exercise (see the outcome of the 'Integrity check' and of the 'Stakeholder salience map')? Are the results of the concerns map available? The participants form small groups. To each group belong members of the same stakeholder (in case the exercise is performed separately with the various groups of stakeholders) or of the same group of stakeholders (in case the exercise is performed with all the stakeholders together). Gather the results of the group session. Compare the results with the inventory of concerns made up earlier (see the dimensions 'corporate values' and/or 'stakeholder values'). Pay special attention to the resemblances and differences between the concerns that a corporation attributes to a particular stakeholder and the concerns that a stakeholder mentions itself. In case the exercise is performed with the various groups of stakeholders separately, preserve some time to put the results of these distinct exercises together. Make sure that it remains visible which adaptations to the previous inventory of concerns have been made and on behalf of which (group of) stakeholders.

#### 3.1.5 Strengths, limits and pitfalls

This exercise takes the experiences of the various participants as a starting point. This prevents that normative discussions are too abstract or ideological.

In case of complex problems it is plausible that both actual and normative content will be called into question, because such problems are characterised by a lot of uncertainties. It is important not to sweep these 'uncertainties' aside too soon, but to pay due attention to them, because they tell a lot about the different visions, beliefs and values the various participants hold.

## References

### *Documents*

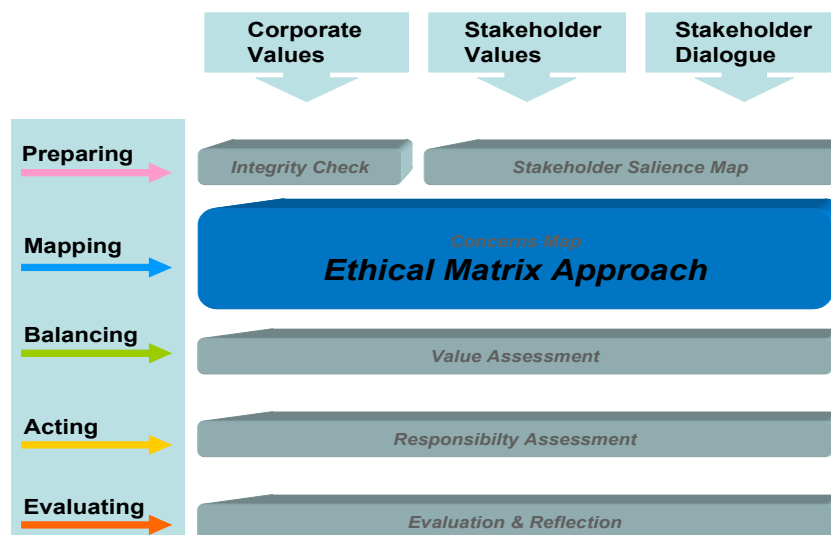
Hersh, R.H. et al., *Models of moral education; an appraisal*. Longman, New York 1980.

Rats, L.E. et al., *Values and teaching: Working with values in the classroom*. Merrill, Columbus 1978.

Taskforce Waardevolle Landbouw, *Naar een waardenvolle landbouw*. Wageningen UR, Wageningen 2001.

## 3.2 Ethical matrix approach

### 3.2.1 Description of the tool



The inductive method of composing a common inventory of concerns is but a first step. A second step consists of deriving ethical values out of the concerns mentioned. The ethical matrix can be helpful here. The ethical matrix is a method to deduce values in a rather systematic way by referring to both some main ethical traditions and main stakeholders. The participants at the exercise of self-clarification are invited to translate the commonly accepted inventory of concerns into ethical values. An ethical matrix helps to translate concerns into ethical values by making explicit which actors are (possibly) affected by the actual situations a corporation worries about and which ethical principles come into play with the reasons why a corporation is worried.

### 3.2.2 Output of the tool

The ethical matrix provides the participants with an overview of ethical values that are relevant to take into consideration when reflecting on product policy within the enterprise. The matrix of this exercise is an important input for the next tool (Value assessment).

### 3.2.3 Theoretical background

The matrix is a principle-based methodology that aims to guide rational decision-making by appealing to principles based in both deontological and consequentialist ethical theories, which are perceived to be components of the 'common morality'. As a development of the 'four principles' approach introduced by medical ethicists Beauchamp and Childress, it assigns prima facie moral status not only to different human interest groups but also to certain non-human groups.

### 3.2.4 Performing the tool

Present the appropriate ethical matrix, i.e. with the appropriate 'fellows', to the participants (see the following matrix as an example). In order to define these 'fellows', one could first apply the 'Stakeholder salience map';

		Welfare	Autonomy	Justice
Self				
Fellows	Suppliers			
	Customers			
	Competitors			
	Stockholders			
	Employees			
	Consumers			
	Nearby residents			
Community				
Humans				
Animals				
Ecosystems				

Table 6 *A specified matrix*

Provide some explanation with regard to the concepts welfare, autonomy, and justice. Welfare corresponds to a form of cost/benefit analysis to decide on what



is right to do. It may be summarised as aiming for “*the greatest good for the greatest number*”. Autonomy corresponds to the notion of rights, which appeals to our responsibilities and duties to treat others as 'ends in themselves'. The golden rule is here “*Do as you would be done by*”. Justice corresponds to the notion of fairness. There is, however, a problem in defining what fairness means: e.g. does it mean that goods should be distributed according to need, or ability or effort? (See: [www.ethicalmatrix.net](http://www.ethicalmatrix.net)).

Invite the participants to place the various elements of the inventory of the corporation's concerns into the matrix. The exercise consists of making explicit in which cell a particular concern fits, given the normative reasons previously provided for the concern at stake. One could invent a - playful- way to make sure that every participant takes turn making a first suggestion of where to place the concern and why. Check for each concern whether everybody agrees with the place the concern gets within the matrix. If necessary, discuss the concern until the participants can agree either with regard to a concern's place within the matrix or with regard to the reasons why it can be placed in different cells. The latter implies that the participants should debate and come to an agreement regarding the extent of dissension they deem acceptable, justifiable or even defensible.

Check the cells of the ethical matrix that are left open. Should they be filled or can they remain open? Complete the matrix as far as needed in a way that the participants deem acceptable and justifiable.

Check, once more, whether all relevant normative reasons have found their place within the ethical matrix. It is conceivable that more than one reason fits within a particular cell.

#### *Applying in the stakeholder dialogue*

Is the inventory of concerns of a corporation and its stakeholders available? Is the ethical matrix approach, representing the corporation's perception of its stakeholders' values, available? Present the ethical matrix constructed from the dimension 'stakeholder values' and the inventory of concerns constructed in the previous exercise ('Concerns map') to the participants.

Invite the participants to place the additional elements - the elements added or adapted by one or more of a corporation's stakeholders - of the inventory of debated concerns into the matrix. The exercise consists of making explicit in which cell a particular concern fits, given the normative reasons previously provided for the concern at stake. One could invent a - playful - way to make sure that every participant takes turn making a first suggestion of where to place the concern and why. Check for each concern whether everybody agrees with the place the concern gets within the matrix. If necessary, discuss the concern until

the participants can agree either with regard to a concern's place within the matrix or with regard to the normative reasons why it can be placed in different cells. The latter implies that the participants should debate and come to an agreement regarding the extent of dissension they deem acceptable, justifiable or even defensible.

### 3.2.5 Strengths, limits and pitfalls

The ethical matrix helps to make ethical values explicit in a systematic way by referring to three principles: welfare, autonomy, and justice. The division proposed - self, fellows, community, humans, animals, ecosystems - is a good starting-point since it invites the participants to enlarge their scope from the local and the present to the global and the future.

## References

### *Websites*

www.ethicalmatrix.net is a website for teachers and students where a web-based matrix can be filled in. The author of the website is Ben Mepham, who originally worked out the concept of an ethical matrix.

### *Documents*

Beauchamp, T.L. en J.F. Childress, *Principles of biomedical ethics*. Oxford University Press, Oxford 1979/1983/1989/1994/2001.

Beekman, V. & C. van der Weele, C., *Naar een gereedschapskist voor constructieve ethiek*. LEI, Den Haag 2004.

Kaiser, M. & E-M. Forsberg E-M, "Assessing fisheries - Using an ethical matrix in a participatory process", *Journal of Agricultural and Environmental Ethics* (2000) 14, 191-200.

Mepham, T.B., "Ethical analysis of food biotechnologies: An evaluative framework", in: T.B. Mepham (ed.), *Food Ethics*. Routledge, London 1996, 101-19.

Mepham, T.B., "Novel foods", in: R.F. Chadwick (ed.), *The encyclopaedia of ethics of new technologies*. Academic Press, San Diego 2001, 299-313.

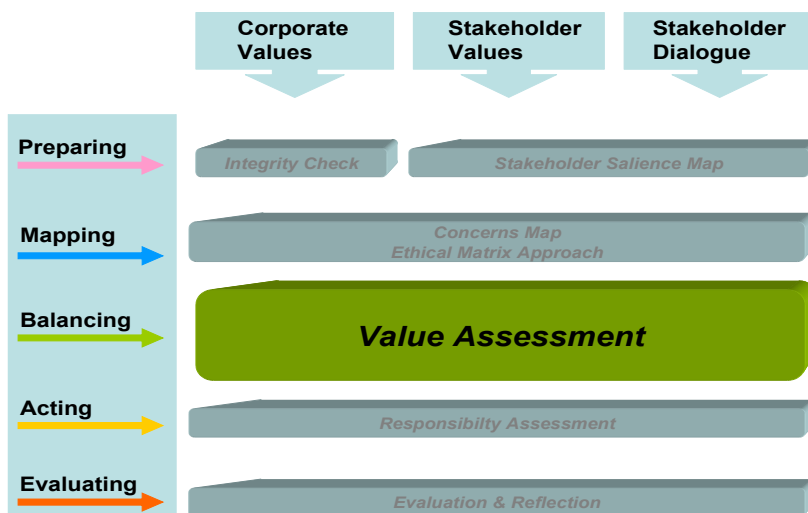
Mepham, T.B., *Bioethics. An introduction for the biosciences*. Oxford University Press, Oxford 2005.

Schroeder, D. & C. Palmer, "Technology assessment and the ethical matrix". *Poiesis and Praxis* (2003) 1, 295-307.

## 4. Balancing tool

### 4.1 Value assessment

#### 4.1.1 Description of the tool



Value-tree analysis originally aims at ranking a set of values, at constructing a value structure. A value structure reflects the relationships between the various values and, hence, their relative importance or weight. The guiding question is: which values/objectives are the more general ones and which values support these general values. The more general values are, the higher they are situated in the value tree. One can, further, assign weights to the various values according to their relative importance. Insight into the relative weights of values is needed to reach ethical judgements and to inform decision processes concerning respective responsibilities and their authors. The (adapted) value-tree analysis consists of part A ('Value assessment') and part B ('Responsibility assessment').

#### 4.1.2 Output of the tool

This exercise provides a hierarchical ordering, in a tree-like structure, of the various values mentioned in the previously constructed ethical matrix. The value-tree of this exercise is an important input for part B, which is the next tool ('Responsibility assessment').

### 4.1.3 Theoretical Background

Value-tree analysis is originally developed as a multiple criteria decision analysis tool to rank a set of values and to choose between alternative options. In this guide we suggest a variant. We split the tool up into two sub tools. Part A aims at constructing a value-tree. Part B aims a) at imagining and developing suitable initiatives that can help realising the value-tree; and b) at assigning/negotiating the responsibilities of the various actors. Our variant differs from the original version in that it separates clearly, at least in first instance, between defining the value-tree on the one hand and imagining initiatives (or decision alternatives) on the other.

#### *Practical applications*

Value-tree analyses have been performed - in their original version - in the following contexts:

- consortium for risk evaluation with stakeholder participation (CRESP) funded by the US Department of Environment;
- Systems Analysis Laboratory, Helsinki University of Technology.

### 4.1.4 Performing the tool

- provide the participants with the results of the previously constructed ethical matrix;
- explain to the participants how the values mentioned in the ethical matrix can be ordered;

There are several important aspects to remember when building a value-tree. Check whether the value-tree complies with these characteristics and discuss amendments, where needed:

- the value tree should be complete: it should include all relevant aspects of the problem;
- the set of objectives should be as small as possible. Too many objectives can be cumbersome and hard to grasp;
- the objectives should not be redundant: the same objective should not be repeated and the objectives should not be too closely related;
- the value-tree should be decomposable: participants should be able to think about each objective separately without having to consider others;
- the lowest level objectives need to be operational: there should be a straightforward way to measure the performance of (future) states of affairs on that objective;

- since the aim of a value-tree analysis is to construct a common value-tree, at the end of the session consensus should be reached concerning which values are of higher or lower order. Since we agree, however, that a value-tree analysis should not exclude value pluralism, we have to provide room for it. A possible way to do this is to give the participants the opportunity to assign weights to the various values and to discuss the range of the weights of the various values (a value with a wide range reflects relative disagreement; a value with a small range reflects relative agreement).

#### *Applying in the stakeholder dialogue*

Is the previously constructed ethical matrix, containing the commonly debated values of a corporation and its stakeholders, available? Is the value-tree representing the corporation's perception of its stakeholders' value structure available? Provide the participants with the results of the previously constructed ethical matrix and of the corporation's perception of its stakeholders' value-tree.

Adapt the value-tree representing a corporation's perception of its stakeholders value-tree so that the stakeholders themselves can agree. Explain to the participants how the values mentioned in the ethical matrix can be ordered. This exercise can be done in a plenary session. Make sure that it remains visible which are the adaptations made and on behalf of which stakeholder they are made.

#### 4.1.5 Strengths, limits and pitfalls

The value assessment helps ranking a set of values that follow from the ethical matrix, in a common value structure. The strength of this value structure is that it helps to identify more precisely the room for consensus and dissensus. By forcing the different values in a common structure this instrument runs the risk of neglecting value pluralism.

## **References**

### *Websites*

[http://www.mcda.hut.fi/value\\_tree/learningmodules/short\\_intro/slides/index.htm](http://www.mcda.hut.fi/value_tree/learningmodules/short_intro/slides/index.htm)  
Systems Analysis Laboratory, Helsinki University of Technology. This website provides learning modules for those who want to perform a value-tree analysis in its original (decision supporting) version (with the help of a software programme).

### *Documents*

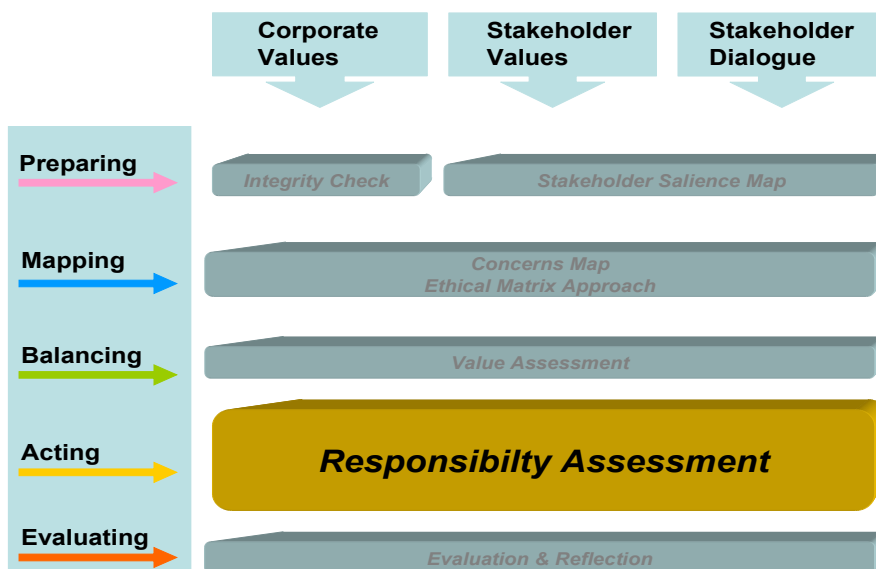
The following documents refer, again, to the original version of a value-tree analysis:

- Borcherding, K. & D. von Winterfeldt, "The effect of varying of value trees on multi-attribute evaluations". *Acta Psychologica* (1988) 68, 153-70.
- Clemen, R.T., *Making hard decisions: An introduction to decision analysis*. Duxbury Press, California 1996.
- Fischer G.W., "Range sensitivity of attribute weights in multi-attribute value models". *Organizational Behavior and Human Decision Processes* (1995) 62 (3), 252-66.
- Gustafsson J., A. Salo & T. Gustafsson, "PRIME decisions: An interactive tool for value tree analysis", in: M. Köksalan & S. Zionts, *Multiple criteria decision making in the new millennium*. Springer-Verlag, Berlin 2001
- Keeney, R.R., *Value-focused thinking: A path to creative decision-making*. Harvard University Press, Cambridge MA 1992.
- Lindstedt, M., *Decision conferencing in nuclear energy management*. Helsinki University of Technology Department of Industrial Management, Helsinki 1998.
- Pöyhönen, H., "Notes on the weighting biases in value trees", *Journal of Behavioral Decision Making* (1998) 11, 139-50.
- Pöyhönen M, H. Vrolijk & R.P. Hämmäläinen, "Behavioral and procedural consequences of structural variation in value trees", *European Journal of Operational Research* (2001) 134, 216-27
- Shapira, Z., "Making trade-offs between job attributes", *Organizational Behavior and Human Decision Making* (1981) 28, 331-35.

## 5. Action Tool

### 5.1 Responsibility assessment

#### 5.1.1 Description of the tool



In order to make the previous exercise of constructing a shared value-tree useful and not an idle event a corporation will look for strategies to realise this value structure to the best of its ability. The final exercise of the three phases, first, of defining actions and initiatives that contribute to the realisation of the value structure and, second, to assign these actions and initiatives to the appropriate persons or organizations.

The tool aims a) at imagining and developing suitable initiatives that can help realising the value-tree and b) at assigning/negotiating the responsibilities of the various actors. The tool consists of three steps:

- Step 1 Associate the various values/objectives with a future state of affairs;
- Step 2 Imagine actions that have to be performed or initiatives that have to be taken in order to make a realisation of this state of affairs possible;
- Step 3 Define the actors that are well/best situated for the various actions and initiatives.

### 5.1.2 Output of the tool

This tool offers an overview of actions to take in order to realise the previously constructed value-tree and of the persons who or organisations that are responsible for the various actions. This overview is an important input the responsibility assessment in phase of the stakeholder dialogue.

### 5.1.3 Theoretical Background

See 'Value assessment'

### 5.1.4 Performing the tool

Provide the participants with the corporation's value-tree. Invite the participants to brainstorm, for instance during half an hour, on how the agricultural and food sector would look, let us say within 5 or 7 years, if it would be a realisation of the corporation's value-tree. Stimulate the participants not to keep too close to the restrictions they perceive in the actual situation, but to be imaginative and creative. The criterion for the success of this part of the exercise is not whether the suggestions made contribute to a future imagined that is realistic, but whether they comply with the previously constructed value-tree.

Construct out of the various suggestions made a coherent picture of the future agricultural and food sector. Therefore, first select the suggestions that seem contradictory or incommensurable, discuss them and reformulate them so that the contradictions or incommensurabilities have disappeared or, if the latter is not feasible, so that the preconditions for realising remaining, but acceptable and defensible contradictory or incommensurable suggestions are made explicit. Construct out of the reformulated suggestions a picture of the future that is as complete and as concrete as possible. Check whether this imagined future is not only compatible with the corporation's value-tree, but also even motivating, enticing, stimulating. Make some further adaptations, if necessary. Constructing a future state of affairs can evoke a lot of debate. Therefore, provide enough time - about one hour and a half - to explore the various topics of debate in depth.

Invite the participants to formulate actions or initiatives that have to be taken in order to transform the present state of affairs into the imagined future state of affairs. These actions or initiatives can regard the organisation of a corporation, the content of contracts, the definition of property rights, a corporation's prevailing culture, private lifestyles, national or international laws, and so on. The guiding question for this exercise is: what actual institutions, conventions, rules, practices, beliefs, habits prevent the realisation of the



desirable future state of affairs and, hence, how can they be adjusted so that the future imagined becomes feasible. Allocate about half an hour for the participants' individual reflection on the task at hand and ask the participants to write down the results of their reflections. Draw the participants' attention to the distinction that imagining actions or initiatives does not automatically imply being responsible for their implementation. Defining actions is one thing; assigning responsibilities is another one. Use the remaining time - about one hour and a half - to make an inventory of the actions and initiatives suggested and to reformulate or complete them so that a shared, complete and concrete picture of necessary actions and initiatives emerges.

The final part of the exercise consists of assigning responsibilities. Debate with the participants who has or have the capacity, power or (moral) duty, is/are well placed and/or has/have the mandate to perform the actions proposed or to take the initiatives suggested. Responsibilities can be assigned to particular employees or managers, to stakeholders, to public authorities, to individual citizens, to national or international organisations. Take, again, enough time - about two hours - to discuss the assignment of responsibilities. Be aware that, for instance, having a mandate does not necessarily imply having enough power. In order to assign responsibilities one should thus take several factors into consideration and judge their relative weight.

#### *Applying the stakeholder dialogue*

Is a clear picture available of the actions and initiatives the corporation deems necessary and of the persons or organisations to whom the corporation assigned these actions and initiatives (see the results of the exercise 'Responsibility assessment' in the phase of stakeholder values)?

Provide the participants with the shared value-tree of the previous phase (Value assessment) and with the image of the future of the agricultural and food sector previously constructed in the former phase ('Stakeholder values'); Invite the participants to reflect whether the previously constructed image of the agricultural and food sector should be adapted in order to comply with the shared value-tree.

Stimulate the participants not to keep too close to the restrictions they perceive in the actual situation, but to be imaginative and creative. The criterion for the success of this part of the exercise is not whether the suggestions made contribute to a future imagined that is realistic, but whether they comply with the shared value-tree.

Discuss the suggestions that seem contradictory and incommensurable and reformulate them so that everybody can agree or, if the latter is not feasible, so that the preconditions for realising remaining, but acceptable and defensible

contradictory or incommensurable suggestions are made explicit. Construct out of the reformulated suggestions a picture of the future that is as complete and as concrete as is possible.

Check whether this imagined future is not only compatible with the shared value-tree, but also motivating, enticing and stimulating for the various actors. Make some further adaptations, if necessary. Make sure that the adaptations made remain visible (for instance by using different colours).

Provide the participants with the adapted picture of the future of the agricultural and food sector and with an overview of the actions and initiatives that, in the final tool of the phase of stakeholder values ('Responsibility assessment'), were deemed necessary.

### 5.1.5 Strengths, limits and pitfalls

This exercise looks in a systematic way for a coherent sketch of possible actions or initiatives and for responsible actors in order to make a desirable future become real. Making actions and responsibilities explicit is a necessary first step.

Take care not to eliminate proposals for actions or initiatives or suggestions for the assignment of responsibilities too quickly, based on the argument that they are not feasible or realistic. Challenge the participants to contribute to the feasibility of what is deemed desirable, rather than to the desirability of what is deemed feasible. In case the participants perceive insurmountable hindrances for taking desirable actions, considered both from their own perspective or from the perspective of other responsible actors invite them to make these hindrances explicit rather than to censor these actions in advance.

## References

### *Documents*

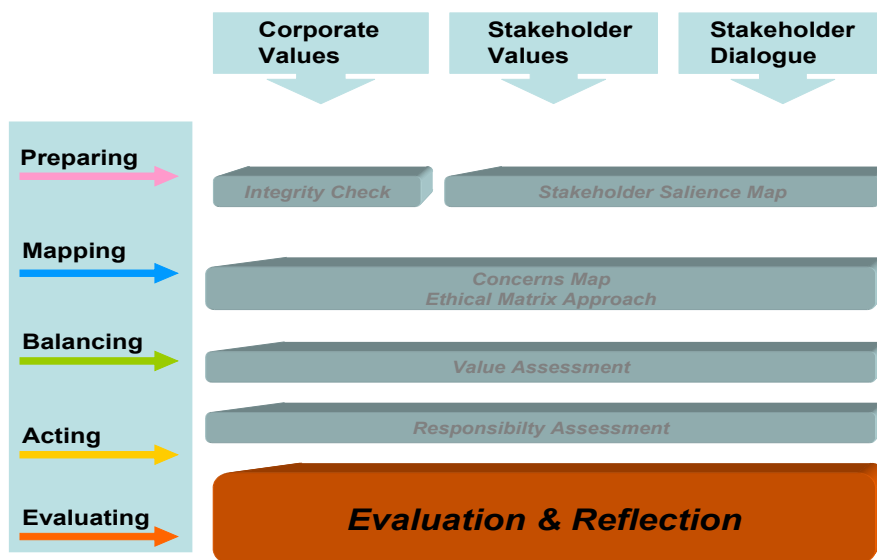
Beekman, V. & C. van der Weele, *Naar een gereedchapskist voor constructieve ethiek*. LEI, Den Haag 2004.

Kaptein, M., *Ethics management. Auditing and developing the ethical content of organisations*. Kluwer Academic Publishers, Dordrecht/Boston/London 1998.

## 6. Evaluation tool

### 6.1 Reflection & evaluation

#### 6.1.1 Description of the tool



An important final step in the process of stakeholder dialogue and moral communication is critical reflection. Communication with stakeholders is very much influenced by organisational qualities such as clarity, consistency, sanctionability, achievability, supportability, visibility and discussibility. These qualities serve as a checklist to see if the problem of the dirty hands dilemma with respect to different stakeholders has been adequately dealt with. A further goal of this final exercise is take notice of the culture of entrepreneurship in a country. It should become clear for the participants that what can be seen as an ethical act of CSR in one country can be considered different in another corporate or national context. This last step can be done together with stakeholders in an interactive setting or without the presence of outsiders.

#### 6.1.2 Output of the tool

Insight in the reasons and considerations to honour or turn down the expectations of stakeholders and a better articulated argumentation with respect to the integrity of corporation.

Awareness among the participants of the problems and challenges that have to be encountered in moral communication and the instigation of institutional changes.

A sound basis for further moral communication with stakeholders and a better understanding of the different positions and interests of corporations and stakeholders.

### 6.1.3 Theoretical background

While the many hands dilemma in a corporate context is about the organisational structure and culture inside the corporation (see 'Integrity check'), the dirty hands dilemma is about the relations with various stakeholders outside the corporation. The interests and demands of specific stakeholders on a corporation may contradict the needs expectations of other stakeholder groups or be at odds with the self-interest and the survival of the corporation. The dirty hands dilemma refers to this contradiction of interests and expectations (Wempe, 1998). Dirty hands are unavoidable and must be made, but this can be done in a responsible way if the corporation reflects on its wider social obligations towards stakeholders and is aware of the crucial importance of (societal) trust that binds activities over the course of time.

### 6.1.4 Performing the tool

The participants are asked to give their opinions and critical comments on the whole process of ethical assessment and the ethical tools that have been used. For reflecting on the integrity of the corporation concerning a responsible and fair treatment of stakeholders, the seven qualities in Table 7 must be openly discussed.

The reflection on corporate integrity will be complemented with a reflection on the social, political and legal environment that has to be taken into account in a specific corporate context. The co-ordinator or chairperson prepares a list of topics and questions that will be helpful to discuss the implications of different social, cultural, and political institutions, the different boundaries in different countries between private sector, governmental regulators, and the general public.

Organisational qualities	'Dirty hands dilemma'
Clarity	It is clear what stakeholders expect of employees
Consistency	Referents make enough effort to realise the expectations of stakeholders
Sanctionability	If the expectations of stakeholders are (not) realised deliberately, staff is sanctioned
Achievability	The expectations raised to stakeholders can be realised
Supportability	The organisation stimulates support for an adequate co-ordination of the interests of stakeholders
Visibility	(Consequences of) conduct regarding the realization of stakeholders' expectations can be observed
Discussibility	Dilemmas, problems, and criticisms regarding realisation of stakeholders' expectations can be discussed

*Table 7 Organisational qualities and the dirty hands dilemma*

### 6.1.5 Strengths, limits and pitfalls

If the evaluation check has been performed well, this will contribute to a good basis for further moral communication with stakeholders.

The limits of this tool could be the difficulties that arise in creating an interactive setting that guarantees an open and non-strategic discussion about different interests and demands.

A possible pitfall is that the debate about corporate integrity can result in disappointment among the participants because of too high expectations that cannot be fulfilled.

## References

See the references of "Integrity check".