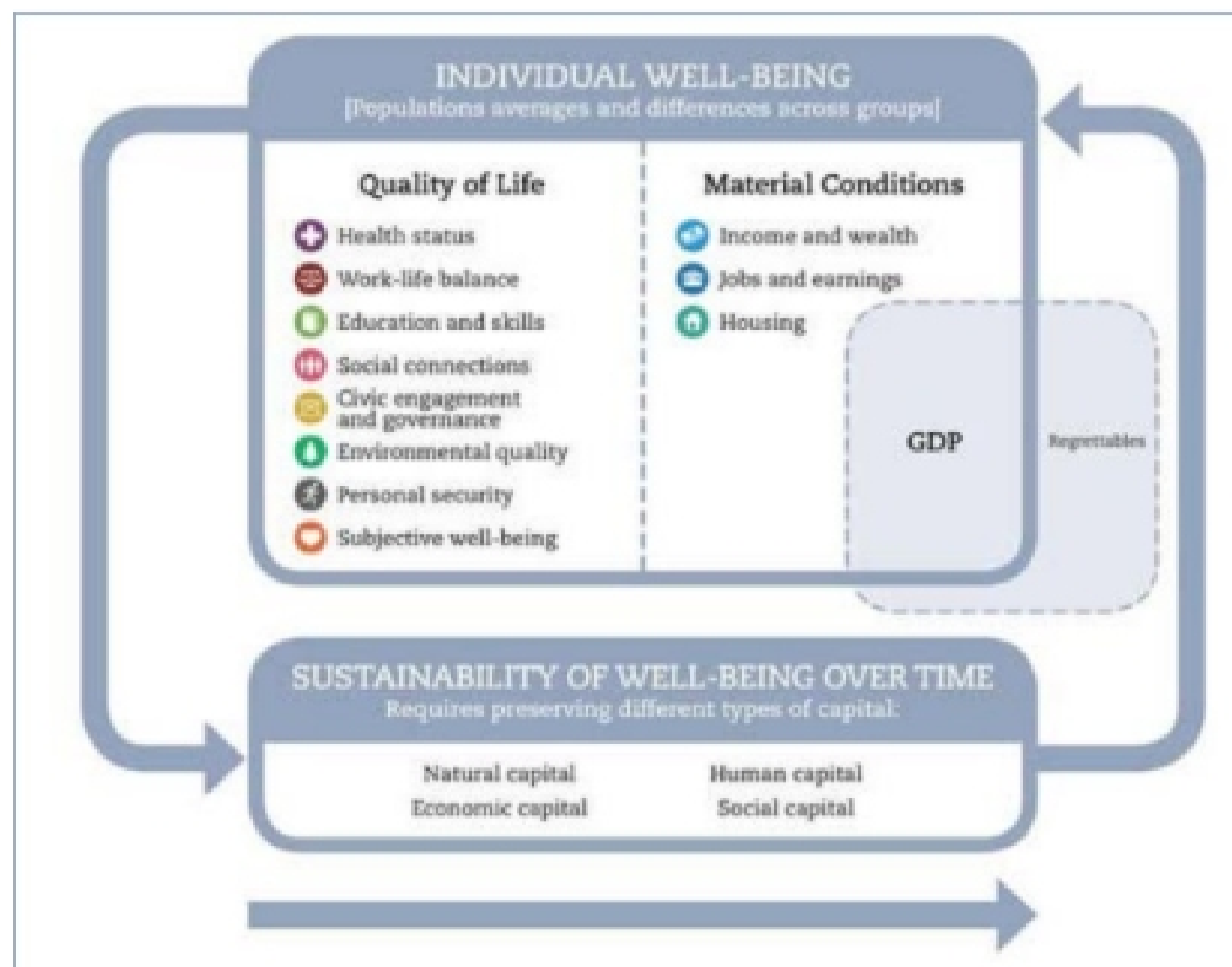


- “Operationalizing” business ethics
- How can we use what we know to improve the well-being of ourselves and others?
- **Conscious Capitalism**- a higher purpose
 - Purpose aligns stakeholders – shareholders, and others alike – to create value for all of the major constituencies
 - Need to have a purpose in a company bc it energizes ppl
 - When all aligned around a purpose, less likely to care about self interest
 - Why do we exist? Why do we need to exist? What contribution do we want to make?
 - Attracts a certain kind of people
 - Ex) disney: to use our imaginations to bring happiness to millions
 - Most powerful when aligned with what it means to be human (uplifting, moral)
 - When becomes primarily about making profit, starts to lose true identity
 - Frankl: we can discover meaning in our lives by: 1. doing work that matters, 2. loving others unconditionally, 3. finding meaning in suffering
 - Profits are the outcomes of doing business with a higher purpose
 - Harder for profit driven companies to recover from slumps
 - Purpose driven remain true to purpose even when times are bad
 - Critical for companies to hire people who align strongly with their purpose
 - Want to promote people who are most aligned ex) if hire highly paid executive from outside company, may not be on board with purpose
- **OECD Measuring Well-Being**
 - Organization for Economic Co-operation and Development (OECD)
 - Shift perspectives on well-being of societies from traditional economic measures to include dimensions of human well-being
 - Allows to gauge whether a range of well being outcomes in each country are moving in line with the aspirations of citizens
 - Income and wealth, health and skills, working and housing conditions, interconnectedness, life satisfaction, etc.
 - Lack of trust in governments has been shown
 - Data on well-being indicators from OECD countries around the world that can assist in identifying relative strengths and weaknesses, developing policy interventions, and designing strategies to grow and prosper
 - Provide info like how people feel about their lives
 - Gender inequality is still relevant from school, retirement, and labor data
 - Women live longer but have lower health status and worse job prospects. Have more satisfaction about lives overall but experience more negative feelings
 - Job quality is important
 - Sustainability of well being
 - Assess the distribution of resources across population and if managed efficiently
 - How today's actions will affect future well being
 - This OECD framework, featuring eleven dimensions of human well-being, acknowledges that country GDP is not a complete measure of wealth and prosperity
 - Inequalities show how well being is shared across a society. Use specific data for each country
 - Less educated and low income have lower well being
 - Policy makers need to know whether policies should be targeted at specific groups of the population



- Just measuring by GDP could obscure the wealth gaps- need to think about distribution of wealth within population
 - Could also look at how the wealth is being generated and at what cost (are you depleting all resources? Are you polluting the environment (china)?)
- How can we operationalize these concepts for application in our lives as business leaders? 3 applications:
 - Vocation of the Business Leader**
 - Targeting Christian business leaders
 - Seeing challenges and opportunities
 - Globalization- leads to inequality, cultural homogeneity, economic dislocation
 - Communications technology- enabled connectivity, new solutions and products, and lower costs, but also info overload and rushed decision making
 - Financialization- wealth maximization and short term gains at expense of working for common good
 - Cultural changes- more individualism, more fam breakdowns, and preoccupations with the self and what is good for me. Employees feel entitled, consumers want instant gratification at lowest price, rights more important than duties
 - Judging
 - Good business decisions rooted in respect for human dignity of employees and service to common good
 - Take responsibility for environmental costs
 - Produce sustainable wealth and distribute it justly
 - Acting
 - Pursue vocation rather than financial success
- When business activity is carried out justly and effectively, customers receive goods and services at fair prices; employees engage in good work and earn a livelihood for themselves and their families; and investors earn a reasonable return on their

investment. Communities see their common resources put to good use and the overall common good is increased.

- As a Christian business leader, am I promoting human dignity and the common good in my sphere of influence?
 - Each person is an end in him or herself, never merely an instrument valued only for its utility—a who, not a what; a someone, not a something
 - The common good embraces and supports all the goods needed to allow each human being and all human beings to develop, individually and communally
- Wants us to not divide spiritual life and work- should keep aligned
- Leadership in a servant spirit
- Am I supporting the culture of life, justice; international regulations; transparency; civic, environmental and labour-standards; and the fight against corruption?
- Am I promoting the integral development of the person in my workplace?
- o **Interpretive Guide to Business & Human Rights**
 - Overview of key concepts (pp. 5-8)
 - Foundational Principles
 - Policy commitment, human rights due diligence, remediation, issues of context
 - Due diligence- what is expected from someone under particular circumstances, management processes that must undertake to meet responsibility to respect human rights
 - Human rights: people have a right to be treated with dignity
 - How do we protect (the State) and respect (the Corporation) human rights?
 - Must protect ppl against human rights abuses including by business enterprises
 - Responsibility exists above legal compliance
 - “Protect, Respect, and Remedy” Framework
 - Remediation- make good the adverse impact (apologize, rehabilitate, financial compensation)
 - There can be legal, financial and reputational consequences if enterprises fail to meet the responsibility to respect. Such failure may also hamper an enterprise’s ability to recruit and retain staff, to gain permits, investment, new project opportunities or similar benefits essential to a successful, sustainable business. As a result, where business poses a risk to human rights, it increasingly also poses a risk to its own long-term interests.
- o **UN Principles for Responsible Investing**
 - Multi-stakeholder groups represented in developing the principles
 - These principles will better the performance of investment portfolios and align investors with the broader objectives of society
 - Voluntary and aspirational- possible actions for incorporating ESG issues into investment decision making
 - ESG- environmental, social, and corporate governance
 - Principles:
 - Incorporate ESG issues into investment analysis and decision making process
 - Will be active owners and incorporate ESG issues into ownership policies and practices
 - Will seek appropriate disclosure on ESG issues by entities in which they invest ex) integrate into financial reports