

# The Corporation as a social entity

Multilocal or multinational?

# Social

- Corporation = construct of people
- There are multiple goals that do not necessarily align.
- Alignment possible through what unites instead of on what separates
- Values are the social glue.

Social



# Entity

- Corporation has to have personality
- It requires a pattern of conduct, a fingerprint.
- Every action that the corporation takes leaves its fingerprint.
- There are nuances to the fingerprint that could either reinforce or destroy the Corporation identity.

Entity



# Corporation as social entity

- Its actions impact society in such a way that its absence will leave a social gap in the community.

Impact



# Assumptions

- Corporations do everything within their power to act legally and morally and ethically
- Corporations act for the greater good within the legal framework of the country within which it is functioning
- People have an implicit desire to act morally and ethically within the actions of the corporation

Moral



# Are Corporations the same in every Country?

- Culture is different in every country
- Corporate Culture will correspond to Country therefore differing from country to country
- A Multinational should have a broad culture and values which can still be adapted congruently

Same?



# Are Corporations the same in every Country?

- There are always values that will apply in all countries & cultures
- Ensuring adherence to values across borders within a multi-national corporation is a challenge

Same?



# Do all organizations have values?

- Values are implicitly understood not necessarily explicitly decreed.
- Culture and values are strongly tied.
- Control Mechanisms for non-conformance to corporate values and culture
- Human Resources screens applicants for values and belief system to ensure they fit

Values



# Financial Crisis

- Personal Agendas vs. “The greater good”.
- Responsibility for the crisis should be shared between
  - Investors & Corporations (People)
  - Employees (People)
  - Government (People)
  - Society as a whole (People)
- Lack of values – make money with no regard for how the returns are gained
- Legal vs. Immoral or UnEthical

V.S.



# How does as social entity handle flexible consistency?

- By recognizing that there are a set of basic common values that can and have to be shared.
- By keeping a clear vision and mission that is aligned with those values
- By not only complying with local regulation but also going beyond it when it makes sense.

Flexible



# How does as social entity handle flexible consistency?

- By understanding and respecting values that go beyond the agreed common set, and that they might not be common to all countries or people.
- By articulating the values, mission and vision on the strategy. Having control structures and measures that ensure compliance with policies.

Consistent

