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Expert's Session Closing Conference

Are Responsible companies profitable?

Three experts to conclude the 6th World Forum Lille...

Yes, according to Marc Pfitzer (FSG, Switzerland), corporate responsibility can contribute to companies' profitability, if they create shared value. The logic of profits redistribution is not sufficient to reduce the ecological footprint of businesses. Our systems must evolve toward the creation of shared value, which involves interdependence between business and the needs of society. The creation of shared value means reconceiving products and services according to the needs of society (eg Morgan Stanley), optimizing the value chain by reducing the footprint and costs (eg IHG) and building framework conditions for a long-term growth (eg YARA).

To enter Jeremy Rifkin's **Third Industrial Revolution**, the ways of working need to evolve toward resources optimization, "cross-cross" execution and "solutionism", which means constant innovation process targeted to the needs of the community. These challenging changes might be difficult to implement, but they will ultimately benefit both the economy and society.

M. Luc Vanliedeerke (EBEN, Belgium) notes that sustainability is now moving to the core of doing business. This is already true in the primary sector (eg Bonduelle) and the trend is reaching the industry (eg Danone, Nestlé) which has rightly understood that continuous innovation and reducing energy consumption are providing profit opportunities. The economic growth relies less on the increasing productivity of men and capital as on resources efficiency.

All the speakers who came to the 6th World Forum Lille have given evidence **that CSR at the very heart of business is indeed profitable.**

According to a recent poll, 7 out of 10 French people believe that CSR is consistent with financial performance. Long-term growth, employees' motivation, response to customers' expectations, risks management and fostering innovation are the main acknowledged benefits of standard CSR.

For Geert Demuijnck, Professor at EDHEC, the 6th World Forum Lille has given rise to the following trend: standard CSR is evolving towards a systemic CSR, which places the company in a network of stakeholders.

Rather than shared value we could speak of "**related -value**", as the fate of the company is tied to the fate of its partners. The starting point of its activity is the need of the community. This is a new economic model and a new role for companies.

The current trend which seems inevitable is to go to a **functional economy** oriented toward the use of a product: while Toyota sells an ecological car, Carbox offers an environmentally friendly car service. The future will consist in buying a service and not a good.

The business objectives are differently defined and CSR progresses are no more gradual but systemic, for a long-term profitability.

This is a radical change toward an economy in which profit is obtained by targeting a broader goal of satisfying the needs of society (eg le Relay).

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