Seeking for a meaningful story for future sustainability in Chile
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INTRODUCTION
AND THANKS
PROhumana - is a nonprofit, non-partisan, independent, self-sustainable Chilean organization, created in 1997, which defines its identity as a DO TANK, acting from a reflecting critical position. In July 2015 PROhumana convoked to a dialog and learning process around sustainability, as part of its constant search for actions which contribute with significance to the development of business sustainability Chile.

PROhumana organization promotes the development of a culture of business and citizen’s sustainability, developing knowledge and creating a space for dialog that gathers diversity and generates actions at multi-sectors level.

In this way PROhumana contributes to generate progress towards the creation of a fairer society where people can live together in harmony with the environment, embracing cultural diversity and respecting the minimal ethics necessary to reach a Sustainable Human Development model.

Having this perspective and from its role of articulator and facilitator of sustainable business development in Chile, PROhumana has developed a Sustainable Business Strategy Model which understands sustainability being integrated in every management area of the company, therefore being applicable in every daily operation, echoing a renewed business ethics that put people at the core, emphasizing the creation of an internal culture of sustainability that is consistent, integral and innovative.

Following this line, the Roundtables on Business Sustainability 2015 were proposed as an invitation to form part of a greater challenge: to build the bases for the kind of sustainability we want for Chile and at the same time to set a new agenda for 2016. In the process we aimed to put together voices and visions that are committed to the creation of a story around the meaning of business sustainability we want for the country, considering that the businesses and civil society leaders that formed part of this Roundtables must be - and are - fundamental actors in this proposal.

We must note that the Roundtables on Business Sustainability 2015 were the continuity of the Roundtables on Business Social Responsibility of the years 2000 and 2006, which were held in alliance with the UNDP (United Nations Program for Development), in the year 2000, an in Alliance with the Corporation for Production and Commerce (CPC) in 2006.
The Roundtables on Business Sustainability became an enriching opportunity to dialog and reflect with an excellent convening level and relevant opinions around a single purpose: to co-build a new story for business sustainability in Chile. This process of dialog was possible thanks to the support and participation of a group of companies and institutions that considered the Roundtables an opportunity to contribute to the development of a country and a society more committed to sustainability.

They are part of the success of the Roundtables on Business Sustainability 2015 and we want to manifest our thanks for believing in the construction of a renewed story to lay the basis and understand the challenges of Business Sustainability of the future in Chile.

THANKS

STRATEGIC ALLIANCES

SPONSORS
“This is an issue of education, almost cultural. It is an issue that transcends - and it is frequently transferred from the biggest to the smallest - in terms of the conviction and the commitment of being sustainable because that is the essence of participation in the civil society”

“Few people will say that companies are useless, but they can reach the conviction that companies only serve themselves. If that happens the business is over”.

“As a company we do not know yet how to face a world where the civil society is not a passive actor any more, our business models do not recognize that fact…”

“We will not make progress towards sustainability if we do not see the company as a group formed by human beings”
Participants of Roundtables
PARTICIPANTS OF ROUNDTABLES ON BUSINESS SUSTAINABILITY

RAMIRO ALFONSIN
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*The positions correspond to the date of the roundtables (July 2015)
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ANDREA ZONDEK
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Presidenta Directorio

*The positions correspond to the date of the roundtables (July 2015)*
“We businessmen are part of the civil society and thus, to ensure our future operation and our stability, we must work in equilibrium with the environment and with the society”

“I feel we are still in a liquid evolutionary substance, the trend seems to be right, I believe nobody denies the importance of the environment, but the attitudes are different and the practices also”

“I think it is quite evident what is to be gained; but I also think that there is no awareness in companies that haven’t gone through big crisis”

“The challenge is to make it a personal conviction and not an anti-disappearance vaccination for the company in the short/medium/long term”
III
ABOUT THE METHODOLOGY
This report contains the analysis of the reflections made by a Group of 70 business and civil society leaders around five questions related to the present and the future of corporate sustainability in Chile, which were answered within the framework of PROhumana Roundtables on Business Sustainability 2015.

See books in digital format:

ROUNDTABLES 2000
ROUNDTABLES 2006

**GENERAL OBJECTIVE**

**ROUNDTABLES**

The objective of this process of dialogue was to identify and analyze the current discourse in relation to Corporate Sustainability in Chile, establishing the main guidelines around development, as well as the elements that hinder or bring progress in the local context. In addition, a comparative analysis of the results obtained with the round tables during the years 2000 and 2006 was made.

**METHODOLOGY**

The methodology used was the group discussion led by a moderator, divided in tables of about 14 people. The information was analyzed with discourse and content analysis techniques.

**GROUP DISCUSSION**

Group Discussion is a technique to collect qualitative data which has been used in different fields of sociological research, and whose prospects in the field of the generation of learning have been widely used and valued.

The group for discussion that allows taking into account different discourses and trends can be formed in two ways:

1. Ensuring the homogeneity of the group: members have similar socio-demographic characteristics.

2. Integrating representatives or actors belonging to different areas involved in the subject that is intended to address.

In the case of PROhumana Roundtable on Business Sustainability the second methodology was used, since the purpose was to identify the main features in the discourse of a specific group: the civil society and business leaders.

For this study 5 round tables were formed, grouping a total of 70 people, at the Sheraton Santiago Hotel, between 27 and 31 July 2015.
Discourse analysis was performed according to each of the questions, identifying the main points of analysis and discourses found in each one of the answers.

For this reason, the results are presented divided by question, to make more understandable the analysis and to identify the keys of the discourse in each one of the themes.

A comparison between the three Roundtables (2000, 2006 and 2015), is also established through the identification of concepts and trends that are maintained and/or evolve over time.

Finally, the report closes with conclusions and proposals for continuity that will lay the foundations for the story that is intended to build.

RESEARCH QUESTIONS

The discussion was centered on five themes, and the questions, as well as the methodological and theoretical background regarding the context of corporate sustainability, were elaborated by PROhumana at least two months in advance.

The questions that set the tone of research and reflection of each group were as follows:

- How is Business Sustainability understood in Chile 2015?
- How is Business Sustainability implemented in Chile 2015?
- Which are the obstacles/threats for Business Sustainability in Chile 2015?
- Which are the challenges for Business Sustainability in Chile 2015?
- Which is the return of Business Sustainability in Chile 2015 and how is it measured?
“Our challenge as a company is to take seriously our role in social wellbeing, concerning the social peace needed in a country to make possible business development.”

“If we recognize that effectively the world is changing and we are in a swirl- then adaptation to change is the best organizational culture capacity someone can have - so, let’s measure adaptability that is also a way to measure sustainability”.

“How should we measure? I would say measuring productivity and quality of live”.

“This works when business, state and civil society work together, building together. In isolation looking at our own navels it doesn’t work.”
IV
ANALYSIS
ROUNDTABLES ON BUSINESS SUSTAINABILITY 2015
1. HOW DO WE UNDERSTAND BUSINESS SUSTAINABILITY IN CHILE 2015?
1. UNDERSTANDING BUSINESS SUSTAINABILITY IN CHILE 2015

01.

The leaders participating in the Roundtables understand sustainability from an ethical-cultural perspective. I.e., they believe that companies have a responsibility to society in which they are embedded and this goes for the goal of the common good. Therefore, they postulate that it is required to stop understanding sustainability from the perspective of economic profitability or compliance with the minimally necessary, as far as legislation is concerned.

The prevailing approach is that the company is not an isolated entity, but it has to develop and act in pursuit of the common good, through a more active participation in society, in the communities where it is inserted, with its partners, with its customers, its suppliers; linked to them from a perspective of good practice for them. From this point of view, the company is and should be a key pillar in the society beyond supplying services and products.

KEY CONCEPTS:
Cultural change, social player, corporative citizen.

02.

As explained by the leaders participating in the Roundtable group, sustainability is understood from the integration of three dimensions: economic, social and environmental, and not only from the environmental perspective, thus expanding the meaning of sustainability. They also claim that the members of the companies are beginning to understand that being sustainable not only consists of managing the relationship with some priority stakeholders, but it is to establish an integrated management with all of them, generating long-term relationships.

Roundtable leaders now not only understand sustainability from a reactive conception in situations of crisis, but, in the context of the country, they understand they must make decisions guided by sustainability criteria, which shows an evolution of the concept.

KEY CONCEPTS:
Change of paradigm, integral sustainability.
There is a trend to develop the concept of sustainability according to the reality of the each company, which is defined mainly by the kind of industry and the size of the business. The long term view is more associated to the industrial sector, while the other sectors show different and/or more limited focus of action.

KEY CONCEPTS:
Lack of understanding and comprehension, different views and perspectives, corporate governance do not consider sustainability

Looking at sustainability from a generational perspective, it is possible to recognize in young people more openness, more interest in the topic, more understanding and commitment, it is also believed that this concept is not part of the DNA of the Boards and/or top executives.

KEY CONCEPTS:
Cultural change, new generations.

A recurrent point in the answers given by leaders consulted in terms of understanding sustainability, is the generational difference that exists internally in companies, the “young people” who are arriving to the companies bring the expanded concept of sustainability, integrated as part of their personal DNA, contributing to strengthen the conceptual richness of sustainability inside of the organization.

The participants in the Roundtables say that there is an absence of a common concept of corporate sustainability, it is possible to identify different understandings depending on variables such as: the type of company, industry, size and/or the number of workers. In addition, most recognize that international companies have a more integrated and more advanced way of understanding sustainability, as opposed to national enterprises, which have a more restricted concept, not shared and weaker in terms of the theoretical consistency. In this same line, they make clear that in multinational the creation of a “shared value” kind of model is a form that has been already adopted years ago and that in more local companies or SMEs there is still certain ignorance on this subject.
The discussion was about the need to raise awareness and permeate the business sector with the CSR concept.

The idea was to leave behind its linkage with philanthropy or charity.

The purpose was to distinguish the companies which adopted a consistent management of CSR from those which did so in isolation.

The bet was limited to leave behind the marketing generated by the CSR actions.

It is considered as a need for business sustainability - which has positioned itself as a theme within the company - to begin to understand it as part of the business strategy, i.e., be part of the management of the company.

The bet is to internalize sustainability to the values of the company, on a voluntary basis and by conviction at every level, beyond responding to marketing or social license.

Environmental
Cultural - Economic
Political - Social

Environmental
Economic
Social

Environmental - Cultural
Economic - Ethical
Stakeholders
Social
2. HOW IS BUSINESS SUSTAINABILITY IMPLEMENTED IN CHILE 2015
Leaders in the Roundtables suggest that while sustainability is still regarded as a management area unconnected to the business strategy, clear efforts have been made by the business sector so that the areas in charge of sustainability have a voice in the definition and adoption of the company strategy, particularly in the creation of Sustainability Committees or similar entities, and integrating the Sustainability Leaders to the Strategic Committee of the company.

This emergent and recent incorporation of sustainability to the business strategy is due to the fact that being sustainable should correspond to a coherent way of being and doing business.

CONCEPTO CLAVE: Integrated Sustainability, leadership.

According to the vision of the leaders asked, sustainability has to impact on all the decisions that are taken, whether they refer to economic profitability, to the way in which the connections are managed and how value is generated for all the stakeholders.

KEY CONCEPTS: Comprehensive management, consistent strategies, generating value.

According to the leaders asked, the relationship with the community is a key factor in the implementation of the strategy of sustainability of the companies, “the organization may have best results, better profits and the best productions, but if it doesn’t have a friendly relationship with community it loses the license to operate”. From this point of view, it was considered that it is of vital importance for the company to take citizens responsibilities as part of the incorporation of sustainable criteria in the business strategy.

Engage, listen and link emerge as determining processes to establish good channels of communication with the community and to build bonds of trust to satisfy demands, meet expectations and generate joint development.

KEY CONCEPTS: Community Responsibility, citizens’ responsibility.
2. IMPLEMENTING BUSINESS SUSTAINABILITY IN CHILE 2015

04.

The Group of participants in the Roundtables manifested at citizen's level there is perception that companies implement sustainability responding to their own interests. This adds to the perception that there is no concordance between the discourse that has been undertaken by the companies in terms of sustainability and practices they effectively carry out.

There is no evidence of integration in the implementation at economic, social and environmental level due to lack of shared consensus in terms of understanding and implementing corporate sustainability.

KEY CONCEPTS:

Different perceptions, self-reference.
2. IMPLEMENTING BUSINESS SUSTAINABILITY IN CHILE 2015

**EVOLUTION**

**2000**
- Internal
- External

**2006**
- From 2006 to 2015, different fields of action that have to do with the identified stakeholders are recognized.

**2015**

**AMBIT OF ACTION**

**INVOLVED ACTORS**

- Chain involving Business Community Relations with Government
- Shareholders Customers Communities Public Opinion Regulators Suppliers Internal staff
- Government officials Citizens - Customers Partners - Community Corporate Government Professional Associations- NGOs Social Organizations Suppliers - Social Media
From 2000 to 2015, has persisted the notion that corporate sustainability is only applied in large companies or multinationals as a criterion to make decisions. Small businesses are still far away from this field, both in terms of knowledge, as of generation of concrete actions in this regard. What also persists is that corporate sustainability goals mainly arise from the company, without taking into account the interests of people.
3. WHICH ARE THE OBSTACLES AND THREATS FOR BUSINESS SUSTAINABILITY IN CHILE 2015?
The Group of leaders says that in a society undergoing rapid change, a strong resistance to it is evidenced by the members of the companies, as well as a difficulty to “break the paradigms”\(^1\). Also the lack of spaces and opportunities for new generations to develop their proposals and views regarding sustainability is identified as a major obstacle.

Fear to uncertainty is evident “future is completely unknown and hard to imagine”\(^2\).

**KEY CONCEPTS:**
*Change of paradigm, fear of the future*

Among the participants of the Roundtable, there is consensus that one of the biggest obstacles to achieve the process of change which the society is going through is widespread mistrust that has affected all the institutions, and that has intensified in recent years in the corporate sector due to the many unethical practices in which they have been involved.

It is noticed that the businesses unfolds in a context of “perverse” and “excessive ambition”, encouraging the maximization of profits, and are often unable to listen to their stakeholders to reach agreements with them.

These modes of acting of businesses are recognized as a difficulty to incorporate the views of third parties in the decision-making process in relation to sustainability.

There is a need for a critical eye on the companies’ action and their relationships with stakeholders. Recognizing errors and taking responsibility for them become a debt to society in general, and for the first time the way how companies act is drastically criticized.

**KEY CONCEPTS:**
*Distrust, lack of dialogue, self-criticism*
Leaders stated that one of the obstacles is the lack of “alignment between corporate strategy, sustainability strategy and a way to take it down to all levels of the company”\(^3\), which frequently results in sustainability teams that are unable to “generate real change within their organization from their position”, since they are locked in the realm of Institutional Relations or the areas of Marketing and Human Resources.

There is evident absence of conviction, genuine commitment and clear goals in terms of corporate sustainability, to make it become a common strategic vision “which is translated into concrete actions”.

The Group of leaders identifies that the technicality that has permeated the measures in favor of sustainability in the country is not understandable “for communities and even for the local authorities” and business sectors, as well as for suppliers of large enterprises.

Be sustainable should match the way of being a company. “All big companies are understanding sustainability more or less in the same way, but when you meet with a small industry, with a small supplier, with an SME, they don't understand the same, they find it hard to understand it”\(^4\).

Participants of Roundtables recognize that the pressure exerted by the communities has become increasingly intense, which prompted companies “to have a more defensive management”\(^5\) in relation to them. Add to this the fact that decision-makers in the companies have begun to be guided by fear of the community or pressure groups.

Address sustainability from a reactive and defensive position, precludes the generation of sustainable strategies over time and good community relations.

- KEY CONCEPTS:
  - Lack of conviction, absence of comprehensiveness.
  - Empowerment of communities, fear of the community, reactive management.
Based on the historical context, the business sector of that time expressed a lack of trust between Government and Company, coming from the polarization and the marked division between both sectors.

Since CSR was considered as a wash of image and marketing tactics, mistrust arises from stakeholders towards companies and entrepreneurs.

Given the general climate of mistrust prevailing in the Chilean society, social empowerment and the continuous cases of unethical practices that become public, business leaders have been in need of taking more flexible positions and try to knock down the installed/justified mistrust, through different occasions of encounter.

The fear of the business sector was focused on the generation of very high and difficult to meet demands, as well as the possibility that companies could be asked to fulfill roles they considered were not theirs, such as “reduction of poverty, environmental legislation, or the distribution of income”.

The company fears the empowerment of citizens and their ability to file claims and make demands at any time.

The companies do not take responsibility for their role as a corporate citizen, nor identifies it as a way to engage with their environment.

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6 Roundtables PROhumana 2015.
3. OBSTACLES AND THREATS THAT MAKE DIFFICULT BUSINESS SUSTAINABILITY DEVELOPMENT IN CHILE 2015

COMUNICATION AND/OR AVAILABILITY OF INFORMATION

2000

• It shows little diffusion of activities of social character realized by the companies in fear of increasing the social demands for donations.

• Furthermore, there was an ignorance regarding the civil society organizations, and from these regarding the characteristics and diverse actors existing in the Chilean business sector.

2006

• The communication was a major point within the concerns of the company, since the leaders considered it an obstacle for advancing in the business sustainability field. The need to simplify the language and disseminate the activity of the company was found evident.

2015

• The technicality that has been installed in sustainability in the country is identified as a major problem, since in most cases the languages is not understandable by the different publics that are involved: communities, authorities, suppliers, etc.

• Lack of communication and understanding between the companies and their stakeholders.
A short term approach in regard to donations made by enterprises was identified, since it was considered that they did not respond to the investment plans of those who requested them.

**There are no references**

The measures implemented in the field of sustainability are conceived by the business sector as an expense, not an investment whose results might be appreciated in the long term.

There is a lack of long-term vision on what is said regarding sustainable management.

<table>
<thead>
<tr>
<th>Year</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>A short term approach in regard to donations made by enterprises was identified, since it was considered that they did not respond to the investment plans of those who requested them.</td>
</tr>
<tr>
<td>2006</td>
<td><strong>There are no references</strong></td>
</tr>
<tr>
<td>2015</td>
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</tr>
</tbody>
</table>
3. OBSTACLES AND THREATS THAT MAKE DIFFICULT BUSINESS SUSTAINABILITY DEVELOPMENT IN CHILE 2015

**CRITICAL THINKING**

**2000**

- A low capacity of self-criticism was observed in the business sector.

**2006**

- A beginning of a more analytical thinking is observed regarding the role of the businesses in the society.

**2015**

- Emerging critical thinking regarding businesses is observed. Referring to the system where the company develops as “perverse”, “excessive ambition”. Also, appears that there is a short-term management vision, lacking organization and with excessive bureaucracy.

- Talk in third person, in reference to “others”, without taking over the leading role that it is up to business leaders themselves.
LISTENED IN ROUNDTABLES 2015

“The question today is what else businesses are going to do to contribute with the country, how they can generate credibility and trust at this moment in which that is the greatest need”.

“I think that telling the story that we are sustainable, has completely lost its value”. “All the companies say the same; the fact we all say the same and nobody perceives it means.......either we are not communicating well or we are not doing it well”.

“There are companies that will probably disappear if they fail to see they have a role, a purpose that goes beyond the financial result, and that purpose is about generating value for the ecosystem in which they are inserted.”

“Definitely what we are looking for is a personal change, a change in each one of us .....nothing will change if we do not change ourselves.”
4. WHICH ARE THE CHALLENGES FOR BUSINESS SUSTAINABILITY IN CHILE 2015
Leaders who participated in the Roundtables raised the need for a great change of approach that has to do with a collective vision starting from the action of the company; mainstreaming the economic, social and environmental fields of sustainability; with a greater involvement of the corporate governance in the field of sustainability; and with an action that includes all its stakeholders to reach common good.

The integrality and the change of viewpoint of sustainability will recover the collective sense and care for the common good. This is from a perspective of humanizing the company, because no progress towards sustainability is possible if we don’t see companies as a collective group formed by human beings. Business leaders recognize that managers have to understand that before becoming shareholders and/or executives, they are citizens, and for that reason they have the responsibility for future generations, to build a healthy coexistence within society, where common sense among all the actors is effectively achieved.

According to the opinion of the Group of leaders consulted, the development of a more sustainable or humane country is not an issue that involves only the companies, but one that has to count with the participation of civil society, of the Government, the citizenship, among others, as that allows an inclusive development which is recognized by all. Is evident the need to empathize with citizenship, where the dialogue is considered an essential element in the development of social responsibility and sustainability strategies, thus recognizing the diversity of the society in which we live.

**KEY CONCEPTS:**
*Leave some structures, change the approach and search for comprehensiveness, collective work.*
A complex society demands the construction of consensus in wider spaces for dialogue, which should be more diverse and more inclusive, since it is recognized that a great challenge is to incorporate the vision of the society regarding the theme of sustainability. Working in cooperation with the communities and with partners, valuing more the work in partnership, and calling all the stakeholders to participate on the issue of sustainability, is also recognized as a challenge. The task is to manage the empathy with the communities; the relationship and inclusion of all the stakeholders; being genuinely concerned about development; and incorporating participatory and permanent dialogue as a natural tool within the company.

**KEY CONCEPTS:**

*Empathy, dialog, diversity*

**03.**

The leaders who formed part of the Roundtables express the need to generate confidence and stability environments among government, community and businesses. This refers to the importance of multi-sectoral alliances and public-private alliances that allow to join efforts and to focus energies towards shared objectives, not meaning that each company has to change its purposes, they simply have to seek allies.

Sustainability will work to the extent that the companies work together with the government, the civil society and the political world. It’s a work of co-construction with authorities and within organizations, without neglecting the generation of value between foundations/ONG’s and businesses, beyond a transactional view aiming for a relationship of greater involvement that allows the development of human capital and inclusive development.

**KEY CONCEPTS:**

*Alliances, collaboration, co-construction*
It is about personal and institutional changes, and not to fear to the early citizen participation. It means to adapt to the changes that affect a society each day more empowered, and that business leaders lose their fear of taking risks, changing projects and visions, among others.

**KEY CONCEPTS:**

*Change, adaptation, sustainable conviction*

Consulted leaders proposed that to face the great change and the new challenges, it is necessary to create tools that allow the development of corporate sustainability such as:

- **Indicators,** which help industries monitor and manage better, with a credible metric that aims at sustainable development and sustainability. Measurements that not only consider the impact in terms or economic value, but that are transversal to the environmental and social issues.

- **Education,** in the sense of the fundamental role it would have in understanding and implementing sustainability, pointing out also that sustainability should be included in civic education for the whole society and from an early age, working for a change of mentality and cultural vision.

According to the group of leaders, another challenge is turning sustainability into a personal conviction. I.e., that each person in the institution should take it as a personal experience in daily live, which requires working at the level of internal culture with partners. The Organization should consider a number of aspects such as vision, values and corporate culture, to strengthen its ethos of being sustainable over time. The way of dealing with the social, cultural and mental change we are living today - from the point of view of the company - should be from the adaptation, leaving aside the fear to structural changes, and becoming aware that we are going through a moment of civilizing transformation.
4. CHALLENGES TO DEVELOP BUSINESS SUSTAINABILITY IN CHILE 2015

- Training of **new business leaders** who are capable to enable spaces of encounter, which facilitate the dialogue between the different actors involved in the discussion on sustainability, and are committed to the incorporation of it in the heart of the business.

- Creation of **institutions capable of facilitating the discussion about business sustainability**, besides being articulators of the different voices that have emerged in this regard, and with consequent alignment of public policies, which are expected to have a focus on long term and which are aimed at the common good.

- Developing **multi-sector alliances** to achieve environments of trust and stability in which the relationship flows and convictions become the engine for.

- Establishing **strategies that allow more transparent** relationship among partners, clients and the stakeholders, and that respond to sustainable ethical values.

**KEY CONCEPTS:**

*Performance Indicators, education, conviction, alliances, articulation.*

Education can change the way of seeing the world, dealing with problems, and become aware in terms of sustainability, thus achieving what many propose: moving from the merely discursive to the practical, i.e. to recover the credibility and trust about what the companies are doing in terms of sustainability, so that is not only regarded as a marketing procedure, but that as part of the business strategy of the company. The new type of leadership that is sought must permeate to the different partners to make sustainability a criterion present in the different areas of the company.


4. CHALLENGES TO DEVELOP BUSINESS SUSTAINABILITY IN CHILE 2015

**ELABORATION OF INDICATORS**

- **2000**
  - There is a clear need to capitalize on the contributions of sustainability from the economic social, environmental and cultural point of view as a way to recognize the effort of the businesses.

- **2006**
  - The aim was the search of measurements that would evaluate and relate the performance of the country in terms of sustainability in comparison with other countries in the region, as well as to evaluate the performance of the corporate governance.

- **2015**
  - Currently the search for indicators refers to the requirement to capitalize the progress achieved in the field of sustainability, to become aware of the improvement made by the company and challenges that should be faced ahead and also to build trust among the stakeholders.

**TO EDUCATE FOR SUSTAINABILITY**

- **2000**
  - The focus of the education in that context was oriented to business leaders.

- **2006**
  - The need for ethical education to business school students was raised.

- **2015**
  - It is suggested that education in sustainability must be oriented to the whole society, including the processes of early training and those linked to the civic culture.
The representatives of the political world stated that one of the roles of the businesses was to promote common good. Nevertheless the members of the businesses didn’t recognize this role as their own in the society.

- The articulating approach regarding the construction of society was not observed, but rather the effort to validate the company in his role as sustainable business.

- Both the business world and civil society organizations, understand that the promotion of the common good should be one of the roles of the companies in the current social context. It is considered that sustainability will not progress while large business organizations don’t understand that they have a responsibility to change this world that entails implicitly a more human and binding vision of businesses vis-a-vis the society at large.
During these years the discussion was about the need to form alliances among the three sectors (Government, Businesses and NGOs), as a vital element to “create productive, responsible links to generate a virtuous circle in strengthening social relations around CSR”.

At present the spectrum of multi-sectors alliances has become wider, the purpose is now “joining efforts and concentrate energies towards the same objectives”.

**No reference**

The discussion was about generation of new leaderships capable to position business sustainability “not only at entrepreneurial level, but at national level”.

At present the discussion is that leaderships in connection to the implementation and management of business sustainability should be characterized by “a very good capacity of dialog” and ethical spirit.
4. CHALLENGES TO DEVELOP BUSINESS SUSTAINABILITY IN CHILE 2015

NEW CHALLENGES 2015
(NOT MENTIONED IN PREVIOUS YEARS)

- Generate institutions in the society which are recognized or validated by communities and businesses, which contribute to bring together the different points of view on business sustainability. Also to create public policies aligned with the public discussion and which have a “long term view that put at the core the common good”.

- Regain trust with society, implementing corporate sustainability, since it was stated many times that businesses only deal with it at theoretical/ academic level.

- Increase the transparency of enterprises in their interrelation with collaborators, customers and the stakeholders in general, to make them be governed by ethical values “which is the elemental basis to function as a society”.

- To work in the conviction that is the sustainability of each one of the people working in the company, that is to say, it is conviction at the level of their internal culture, to then “change the internal approach of the company”, because “finally it is the companies’ own collaborators who can make things change”.

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5. WHICH IS THE RETURN OF BUSINESS SUSTAINABILITY IN CHILE 2015 AND HOW IS IT MEASURED?
According to the leaders asked in the Roundtables social legitimacy is one of the key returns, because it provides “reputational capital (...) that is useful to face a crisis”\textsuperscript{11} and to strengthen relationships with the stakeholders.

One of the elements that contribute to the permanence of the business in time is the construction of links of trust and credibility with the stakeholders.

**KEY CONCEPTS:**
Social capital, social license, legitimization, reputation.

The group of leaders agreed that better achievements in sales and production goals, are reached through sustainable management which makes companies more competitive. This, especially in so far as consumers begin to choose the products/services offered by such organizations, i.e., companies with sustainable varieties.

The integration of sustainability in business management enables the generation of much more pleasant working environments, causing “better occupational expectations”\textsuperscript{12} and contributes to the retention of talents.

**KEY CONCEPTS:**
Competitiveness, loyalty, talent retention, profitability.

The leaders noted that the generation of social welfare is a form of return because it produces “spaces of social peace allowing people to have a more quiet life”\textsuperscript{13}, making people happier and able to reach full development of their capacities.

**KEY CONCEPTS:**
Social welfare, social peace, human development.

\textsuperscript{11} Roundtables PROhumana 2015.
\textsuperscript{12} Roundtables PROhumana 2015.
\textsuperscript{13} Roundtables PROhumana 2015.
The leaders asked identified different ways of measuring the return on sustainability, which are grouped in the following concepts:

For **social legitimacy**, the possibility of generating indicators on the existence or non-existence of conflicts with stakeholders was proposed, for that different approaches to measure “the reduction of conflicts, reduction of strikes, reduction of stoppages at work and in mine sites, reduction of trials, reduction of fines by the superintendence”\(^4\), as well as reduction of the level of conflict with customers.

For the **sustainability of the business over time** the range of options was expanded to three types of evaluation: (1) the measurement of the results of the goals proposed - on the basis of the overall objectives-, in aspects such as climate change and productivity levels; (2) the evaluation of risks, from the generation of matrixes designed for this purpose; (3) the retention of talent, which means also to measure the satisfaction of workers, the internal pride and labor climate.

For **social welfare**, it was possible to use as measuring mechanism impact evaluation, since according to the participants of the Roundtables this would distinguish how much the development of the company contributes to the ecosystem, as well as provides the ability to measure the real impact that the business sector has in terms of productivity and quality of life of the country, making it possible to distinguish, in the end, “what specific initiatives or projects can be made in public-private partnership”\(^5\).

A kind of **transversal measurement** to the returns on sustainability identified were the certifications to which companies are applying - such as “Dow Jones Sustainability Index” that allow to “adjust to worldwide trends and to the international standards”\(^6\). Within this category of measurements pointing to the three types of returns above (social legitimacy, sustainability of the business in time and social welfare), it was possible to distinguish them in the companies' reports, since they include a “series of indicators, (…), the perceptions of different stakeholders, how we (as a company) impacting the quality of life of people, how much do our employees or our communities love us.”\(^7\), etc.

\(^4\) Roundtables PROhumana 2015.
\(^5\) Roundtables PROhumana 2015.
\(^6\) Roundtables PROhumana 2015.
\(^7\) Roundtables PROhumana 2015.
The group of leaders invited to the Roundtable had a conceptual discussion around the concepts of “return” and “profitability”. Some participants noted that it is not possible to understand the returns on sustainability from the perspective of profitability, but it must be done from “the values approach, since if I aim to apply sustainability to add profitability to the company we are in a serious problem”\(^{18}\). Also another segment of the audience pointed out that “the mere concept of return speaks about a profit approach”\(^{19}\).

Another controversial aspect was related to the question about the measurement of returns on sustainability, which alluded to either following the rules in this matter or self-regulation of the business sector. On the one hand some participants agreed that it was necessary to have “certain regulations or certain basic regulations floors for society”, while others pointed out that “self-regulation, is much better since you can be given a regulation which does really not understand your market, does not understand what happens in its environment and regulates poorly”.

Therefore there is no apparent consensus in this regard, but yes a desire to encourage changes within the companies, which could be translated into indicators or other concrete ways of measuring impact.

\(^{18}\) Roundtables PROhumana 2015.
\(^{19}\) Roundtables PROhumana 2015.
“The business world doesn’t accept diversity; that is, diversity doesn’t exist.... nobody thinks differently, then there is a cultural issue, there is a values issue in which they don’t accept living together with diversity, and that is an issue which business leaders don’t dare mentioning, because they lose the job”.

“I believe that it looks much prettier in the story told than in reality (....) If we were 50% of what we say in our sustainability reports, this would be a better planet”.

“Our great entrepreneurs live frightened and that is one of the biggest challenges we have, how could we reduce the fear and make them plunge in the pool they have to”.

“The society would not believe you if you do isolated actions and you are not working the impacts they produce”.

“LISTENED IN ROUNDTABLES 2015”
CONCLUSIONS

- The understanding of business sustainability in Chile is still restricted in its definition and certainly in its implementation. 15 years of analysis in the Roundtables show the concept at basic level, far-off the global trends and distant from the concept held by CEOs of international companies.

- The concept evolves in relation to previous roundtables, in terms of the understanding (the level is still lower than in developed countries and/or the global trend), but realization/action of sustainability, namely implementation, is considered to be responsibility of ‘others’, rather than based on “our” values and efforts.

- It is validated that the company is part of the cultural change towards the Common Good, and that working together with society makes it possible. But this is perceived as a learned discourse or a wish rather than a real integration into the company’s business strategy.

- There is greater awareness into the idea that the company’s role in society is not limited only to the generation of financial resources, but considered to be part of a whole. However, leaders of the Roundtables discussed that this understanding doesn’t apply to management of the stakeholders, since experience has shown large disagreements with the communities, customers and workers.

- The understanding of the corporate sustainability is still short-term and reactive.

- In the Roundtables, the reflective process on the development of corporate sustainability arose more from a vision that speaks about what “he” should do, rather than an “I” approach that become aware and is responsible for the development and consolidation of the corporate sustainability in Chile. It is in this respect that the relationship between the understandings of sustainability integrated into the business and the leadership role of general managers and the corporate governance of each company regarding implementation doesn’t appear.

- Commitment to be sustainable exists, is valued, is sought, and is desired. It is assumed that there is a change to make. However, there is no clarity about change being a constant process and not “an end”; it is a reality “we are experiencing”, a moment we are living though in evolution/history/context.

- Business leaders recognize that they are still encapsulated and weak in their relationship with stakeholders. Furthermore, they describe their peers and businessmen as arrogant, outdated and not open to change, and that doesn’t allow them to transform and accommodate the diversity of perspectives for the management of businesses in the 21st century.

- The lack of confidence appears as a recurring issue throughout the three Roundtables (2000, 2006 and 2015), what changes are the subjects of mistrust in the business world who are different at different points in time. But the distrust is installed in the way of businesses relate with their environment.

- There is recognition of fear installed in the business world in relation to the national context. Fear to employees behavior because they believe that occasionally employees are not looking for the success of the company; fear of the regulator and to changes in legislation; of the social media , of stakeholders and their
true intentions; of communities. Defensive attitude and mistrust predominate in the business world, and finally ends up permeating in the willingness to change and to innovation, fundamental aspects for the development of the corporate sustainability.

- In spite they declare that one of the more complex issues which are now facing the companies is their relationship of trust and collaborative construction with its stakeholders, in the business leaders discourse on several occasions appeared the importance of counting with and generate multi-sector and public-private partnerships in pursuit of sustainability.

- To some extent the idea that changes in the company in the field of sustainability are more an obligation imposed by the reality and the contingency present at local and global level, than a proposal for long-term and entrepreneurial vision of business as such.

- There is a greater internalization of what the businesses might be in the context of sustainability, it is possible to visualize that this change will not happen if it continues building from the current rigid paradigm of the business world in Chile.

- It highlights the fact that there is no denial to the discredit the corporate sector in Chile is going through, and it is assumed that the mistakes made by the sector must be addressed generating preventive measures to avoid recurring in the future. Business ethics appears as one of the ways of providing a solution to what has happened with respect to the faults committed.

- Absence of a conviction about corporate sustainability is observed; the action observed is more focused in the form than in the content. Again what was said above: it is a reactive sustainability approach, which lacks of a long-term vision and strategic method.

- Business strategy shows that sustainability is expressed in a fragmented manner, both in terms of approaching policies and implementation within the company. Sustainability is not inserted into the business strategy articulating the different areas that compose it.

- In general, it stands out that sustainability is not installed on the corporate governance of Chilean companies and that, in the majority of cases, strategic business decisions are related to a lack of vision of sustainable business model. The application of the sustainability vision could avoid the existence of cases of collusion, ethical failures, tax evasion, and labor issues, among others.

- Business leaders see themselves in a constant tension to solve relationship issues with the stakeholders, in addition, exacerbated by a critique to their way of listening lacking empathy and not being able to put themselves in the place of the other. On the other hand, what prevails is the thought that the businesses could have the solution to achieve a dialog of consensus.

- In the reflective process of the leaders of the Roundtables in repeated occasions appears the idea that there are problems in managing sustainability, as it lacks of internal interconnection among the different business areas and their business goals.
CONCLUSIONS

- There is great emphasis placed in personal convictions from a perspective of human development and ethics, and what can they generate. It was highlighted that the younger generations are to lead the change because sustainability is part of their DNA. However, somehow the responsibility of current business leaders to make substantive changes to the corporate sustainability is put off.

- Like the round tables of the 2000 and 2006, it is remarked that educating for sustainability is a key issue. While earlier it was suggested that this should be done at the level of universities, in 2015 the value of doing so from an early age and from the point of view of civic education was added. The proposal to educate is very relevant, however calls our attention that here again in the approach of the business world there is a trend to place the responsibility to train for business sustainability in others, because they don’t mention educating their own workers neither that business associations should have a leading role in training and in setting the guidelines for sustainability.

- It is noted that reflection is still focused on each company and what each one of them individually does in its process to be managed sustainably. The approach as a business association is not present, i.e., setting targets by industries, is not mentioned in the deliberation of the group.

- It is strongly emphasized that sustainability still has failed to get off the big business and that the SME sector is far from integrating sustainability to its management.

- It is recognized that the transformation of businesses towards sustainability is still linked to the social legitimacy and sustainability of businesses in time. It is stated that there is still a very conservative approach, reluctant to adjust to the change society has made in recent decades, showing that we are still “in the classical style, and don’t go beyond as international companies do”.

- It is clear that at present there are different parameters and different metrics to measure sustainability. Management indicators (reliable) are valued as a tool to create sustainability in the strategy of sustainable business, and not only good intentions or speeches. Policies, goals and, above all, an assessment of sustainable management, start emerging in the story as necessary elements.

- It is believed that not having conflicts with the stakeholders is one of the most prominent instruments in business success, which to some extent confirms the idea of a more reactive sustainable management and not one based on a long-term integrated strategy. Joint construction with the stakeholders has not been valued yet.

- There are almost no global trends themes in business sustainability. Business leaders do not think they have a leading role for the sustainable transformation of the country in the global context. On the other hand, issues such as climate change, social equity, gender inclusion, green economy, circular economy, responsible investments are not mentioned.

- The discussions and reflections about sustainability are still held at local level and have a short-term approach bias; this reinforces
again the idea that sustainability is not embedded in the business strategy, but divided in parcels. In terms of referring to “return/profitability” of corporate sustainability, there is no unanimous agreement about using those terms, since they are associated with profit. On the other hand, it is said that business sustainability makes loyal customers and loyal workers, and contributes to social legitimacy. This “no agreement” in understanding the comparative advantage of being a sustainable company in the global business context, shows a conservative approach regarding sustainability in which actions go parallel to the business, rather than being part of the strategy itself. If it wasn’t so, sustainability would obey to a mode of managing companies and that should be measured by concrete results in terms of social, economic and environmental profitability.

• From a comparative perspective between the Roundtables made in 2000, 2006 and 2015 it is possible to observe an important evolution in all analyzed aspects and of course a clear indication that sustainability has been installed as an aspect of consideration in business management. However, it highlights the fact that at challenges level the business leaders make daring proposals, compared to a weaker understanding, implementation and obstacles/threats consideration. It is possible to infer that this may be due to the above, i.e. that corporate sustainability on several occasions is assigned as the responsibility of “somebody else”, and therefore “the challenges are not my own responsibility and are out of my reach”.

• Alt is also important to emphasize that while progress has been made in the understanding of business sustainability and its implementation during these 15 years, from a perspective of analysis in the international context it is very conservative, with very local and scarce goals in terms of conceptual profundness and business strategy implementation1.

• Finally, regarding the PROhumana Sustainable Business Strategy Model it is possible to establish that the discussions regarding sustainability at the Roundtables 2015 still show weaknesses in terms to management for sustainability. Both the definition of what sustainability is, and the form in which it translates into planning for the construction of sustainability policies in each company, its implementation, evaluation, continuous improvement and communication. There is disorganized reflection and analysis, which clearly shows that the level of internalization of sustainability in the Chilean business world is at medium development level and well away from the global context.

http://volans.com/project/the-breakthrough-forecast/
“We have the big challenge of managing more empathy and to include dialog as a natural tool in the company”.

“One could say that the problems that appear in the companies are a reflection of a bigger problem or challenge, which is of social nature, with political consideration and impacting in other dimensions also”.

“If there is one measure by which every manager is measured, that is not necessarily related to income or profit, it is the capacity to attract and retain talent.”

“I link this to conscious economy: one should never do anything that could damage our stakeholders, therefore if I will never do something that could damage them, I would not even need a legislation to compensate, because I will never do anything wrong.”
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