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The ORSE newsletter

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IN BRIEF

→ Grenelle Environment Summit: the green re-launch

According to a study by the Boston Consulting Group, 15 major Grenelle programs will participate in substantially re-launching the economy by generating activity of 450 billion euro over 12 years, approximately 170 billion euro of which will be financed by State and local government. They will help to create more than 600,000 jobs over the period from 2009-2020, mainly in the building, infrastructure and renewable energies sectors.

FIGURE OF THE MONTH

30 billion euro

the French SRI market in 2008, a growth of 37% over last year, according to Novethic.

EDITORIAL**Promoting professional equality on company boards**

From its earliest years, ORSE has been resolutely committed to the promotion of professional equality:

- by treating the subject as a CSR issue, with increasingly explicit awareness from various stakeholders in companies, especially from the world of finance;
- by working on pedagogical materials for companies. In September 2004, we published the first version of the Directory of gender equality best practices, running to 15,000 copies. It was so successful that another 15,000 copies had to be printed after March 2005...
- by promoting social dialogue on these issues. In March 2005, we launched a website dedicated to equality issues (www.egaliteprofessionnelle.org), providing on-line access to enterprise and branch agreements: as of June 2009, more than 200 such agreements may be downloaded...
- by emphasizing investor rating and evaluation issues. In March 2006, we asked Vigeo to measure the commitment of major European enterprises and organized a conference-debate giving the floor to the main European players;
- by promoting the most committed ORSE member companies. In March 2007, we published a study on best corporate practice for reducing salary gaps, notably through the allocation of a specific salary budget;
- by taking an innovative approach to the subject. Although the subject of conciliating work and family life is consensual and currently in fashion, ORSE approached it from the fathers' point of view. In November 2008, we prepared a guide to the promotion of parenthood aimed at male wage earners. This guide was accompanied by a series of portraits of male decision makers, of whom we asked the question usually asked to successful women: how do you personally reconcile your work and family life?



Daniel Lebègue, President of ORSE

In this month of June 2009, we are publishing an update of the equality directory, running to 20,000 copies and also available on-line on our dedicated website. It is the fruit of a working group which brought together, over a 6 month period, more than thirty ORSE member companies, 5 union confederations, researchers (Jacqueline Laufer, Rachel Silvéra...) and networks specialised in equality issues such as ANACT, and finally, public authorities, through the office for women's rights and equality.

As compared with the first version in 2004, the 2009 version is a whole new product, with new information sheets (increasing to 22 from 12) on subjects as different as:

- differentiating between issues for SMEs and major international groups
- the implication of men in equality issues
- working conditions and the adjustment of working hours
- the promotion of women's networks.

Finally, it develops the most innovative practices that we could identify, set out in a very pragmatic way, giving an important place to negotiation processes: each form makes reference to enterprise agreements.

Our aim is for this practical guide to accompany the greatest possible number of enterprises in their negotiations in favour of professional equality.

Daniel Lebègue, President of ORSE

The "STIGLITZ report": a lucid diagnosis, disputable methodology, proposals that do not rise to the challenge

John Gadrey, Emeritus professor at the University of Lille 1, who co-authored, with Florence Jany-Catrice, "Les nouveaux indicateurs de richesse" [The new indicators of wealth], (La Découverte, 2005), was one of the 22 economists on the Stiglitz Commission... That does not stop him from having a critical appraisal of its work. .



Jean Gadrey, professor at the University of Lille 1

→ In a note you signed along with the FAIR Collective [Forum for other indicators of wealth], you recognize that the main advantage of this report is its criticism of GDP as an indicator of progress

Yes. The Commission supports our criticism: GDP, based on commercial and monetary production and consumption, only takes account of certain activities and ignores the destructive effects of productivism

and deregulation.

It gives credit to activities that are either ruinous or which only serve to repair damage of Human origin. It ignores the endangering of vital common goods (water, air, land...) and the resulting violation of the fundamental rights of billions of people. It has been incapable of alerting us to the existence and aggravation of social, ecological, economic and financial crises. It has blinded us.

→ Nevertheless, you criticize the working methods of the Commission, which did not allow any real dialogue with the other civil society players. What would you have preferred in this area?

The organization, as originally announced, of rich exchanges with civil society. Public debate cannot be replaced by uploading a complex text written exclusively in English for a very short time... We also question the profile of a commission composed of economists. As if defining societal progress and debating how to measure it could be limited to the competencies of a single specialty. The extent of the challenges and

the complexity of the subjects they raise requires a multidisciplinary approach and a new relation to expertise integrating the practical experience of all members of society.

→ Finally, you criticize the proposals made in the report, which you do not see as rising to the challenges. In particular, you claim the report overvalues "Adjusted Net Savings" resulting from the work of the World Bank...

Yes. This supposed indicator for measuring sustainable development should be banished from all future key benchmarks. It is exclusively monetary, incomprehensible for non-specialists, maladjusted to political decision-making, unacceptable in the way it treats 3 forms of capital as being interchangeable: "economic" (resulting from production), "human" (measured solely on the basis of education spending) and "natural" (limiting ecological damage solely to climatic issues).

→ In the end, would you say you prefer the results and approach of the report on sustainable development indicators and the ecological footprint

produced by the CESE [Economic, Social and Environmental Council]?

Without doubt.

That Report, despite having exactly the same aim, is of greater quality, open to the need to include citizens, absolutely not partisan of a general monetarisation of the major indicators of sustainable development.

I am more favourable to the ecological footprint and synthetic indicators than the CESE, but the debate remains open, on good bases.

FEATURE

A Forum for other indicators of wealth

FAIR (Forum pour d'Autres Indicateurs de Richesse), is a civil society network set up in early 2008. Among its organizers, one finds, along with John Gadrey, a number of researchers having already published a range of critical work on the issue of dominant economic indicators, such as Florence Jany-Catrice, Dominique Méda or Patrick Viveret

→ a new sustainable development Recommendation by the ARPP (the French Authority for professional regulation of advertising): to put an end to the excessive use of ecological arguments in advertisements

On 18 June 2009, the ARPP board of directors validated a new ethical advertising rule relating to sustainable development. The new Recommendation replaces three prior texts (the "Ecological Arguments" and "sustainable development" Recommendations and a doctrinal note on "Vehicles in natural spaces") and introduces several important innovations:

- a will for simplification;
- multiple sources of inspiration (especially the ISO 14021 Norm...);
- a resolutely global approach, with clear answers to strong expectations such as taking account of life cycles and environmental self-declaration (the document stresses the need for better identification and explanation of tickets, logos, etc.);
- strengthening the message on the impact of eco-citizen advertising.

More information:
<http://www.arpp-pub.org/Nouvelle-Recommendation.html>

The end of GDP?

One after another, the pre-report of the Stiglitz Commission, sponsored by the President of the Republic, then the report requested by the Prime Minister from the Economic, Social and Environmental Council, have now been made public. Both, with very different approaches, contribute to the debate on new wealth indicators...

Attempts to go beyond GDP and invent new indicators of wealth are not recent: it suffices to recall Gross National Happiness (GNH) recommended by the king of Bhutan as early as 1972, and more recently, the Human Development Index (HDI) established by UNDP in 1990, and in the environmental sphere, the ecological footprint created in 1995. But this work has long been ignored by policy-makers. With the environmental crisis and global warming issues, awareness is rising faster.

The European Union is now putting together an indicator allowing measurement of progress in environmental protection (see ORSE Newsletter no. 76).

In this context, the President of the Republic, Nicolas Sarkozy ordered, in January 2008, a commission composed of 22 economists, presided by the American economist and Nobel Prize winner, Joseph Stiglitz (the vice-president being Amartya Sen, another Nobel laureate) to "study the limits of our national accountability and take better account of the real conditions and quality of life of the French".

Furthermore, as part of the Grenelle environment process, the State has set the objective of adopting national indicators by 2010. Accordingly, on 20 January 2009, the Prime Minister, François Fillon, asked the Economic, Social and Environmental Council for a report on "sustainable development and ecological footprint indicators".

The main conclusions of the Stiglitz pre-report, in English, were placed on line in June, with a request for comments and suggestions from civil society before 5 July, before publishing a final report announced for 13 July...

Globally, the message of the Stiglitz Commission is that the existing indicators on income and consumption inequality,

quality of household life, etc. must be associated regularly, or even systematically, with the other monthly indicators of growth such as GDP, inflation and unemployment. They now need to be included in the set of published indicators. Moreover, the pre-report recommends an emphasis on net national disposable income rather than GDP: the former is closer to the well-being of citizens because some income is sent overseas and some residents receive foreign sourced income.

In Ireland, for example, it only amounts to 75% of GDP. Finally, as regards sustainable development, the report recommends adjusted net savings, measured as the surplus of available resources at the end of a cycle of production and consumption, after compensation for the economic and natural depreciation of human capital. This concept was developed by the World Bank, but the Commission would like to see it completed by other indicators such as carbon emissions.

The main conclusions of the CESE report. In its report, entitled "sustainable development indicators and the ecological footprint", the CESE recommends adopting a "control panel", composed of a dozen indicators distributed in the form of a handbook.

In addition, a more detailed list of data would be available on the Internet.

As regards the ecological footprint, the report

recognizes that it has several advantages, including its notoriety and pedagogical use. However, the report insists on resolving the methodological reserves surrounding its calculation methods before generalizing its use.

Finally, the report concludes that CO₂ emissions (which represent 52% of the footprint) could become the indicator of reference for the environmental pillar, through carbon statements.

To go further:

www.stiglitz-sen-fitoussi.fr/documents/draft_summary.pdf

www.conseil-economique-et-social.fr/presidence/publication/PU09-338.pdf

Thermometers that make you sick: our measurement instruments have the strange characteristic of giving a positive reading on destruction. Patrick Viveret in his report "Reconsidering wealth", 2001

→ Opinion Poll by the ANACT/CSA network, 2009: "workplace stress"

According to this poll conducted in late March 2009, stress affects 4 wage-earners out of 10 (including 13% who say they are very stressed!).

In the higher income categories, the rate of persons declaring themselves to be stressed has increased significantly (47% of higher socio-professional categories and 57% of company executives).

The more the organization of work is complex the more stress it generates: 40% of wage-earners reply that the organization of their work generates stress and this rate rises to 48% for wage-earners in enterprises with 150 to 999 employees, whereas 68% of wage-earners in very small enterprises declare themselves un-stressed.

91% of wage-earners declare that they make do nevertheless, or adapt to the situation as best they can, and 76% say they find resources in personal activities.

→ VINCI has committed to employing immigrants

This building and public works group has signed its first framework agreement with the French State in favour of jobs for new immigrants: it aims to promote direct access to jobs in VINCI affiliates for foreigners who sign reception and integration contracts, as well as providing French lessons to employees.

An experimental stage has been launched in the Nord-Pas de Calais region, with the Participation of the ANAEM (National agency for the reception of foreigners and immigration) to establish the required tools and practices.

"Equal opportunities: is it necessary to seek to be labelled and/or audited"



Equality labels, diversity labels, responsibility labels in client relations centres, diversity diagnosis by IMS Entreprendre pour la Cité (enterprises for the city), Vigeo audits, testing by ISM Corum or the Observatory of discrimination...enterprises sometimes find it difficult to choose faced with this profusion of initiatives.

What are advantages and disadvantages of these labelling and/or auditing approaches?

The equality label launched by the government in late 2004, aimed at gender equality, has been attributed to around 40 enterprises to date.

The diversity label launched by the government in 2008, which covers other forms of discrimination, has already been attributed to twenty enterprises.

The same number of enterprises has received the social responsibility label, specific to client relations centres, and IMS Entreprendre pour la Cité is said to have conducted around thirty "diversity diagnoses" over 4 years.

As regards testing, enterprises often remain discreet and seldom communicate about their action...

In sum, it is clear that, especially under the impetus of public authorities, the market for labels, audits, diagnoses and testing in the equal opportunity sphere is developing rapidly. Indeed, a wave of new diversity labels is expected in coming weeks, with as many as 400 candidate enterprises vying for recognition!

This success results from a precise set of requirements

covering five reference areas (conduct an assessment of diversity within the establishment; launch social dialogue on the subject within the enterprise; internal communication with, and training and awareness of employees; take account of diversity in all human resources processes; evaluate diversity action), but also because the label is less restrictive than the equality label, which obliges enterprises to obtain quantifiable results, follow a step by step procedure and, above all, sign an equality agreement...

... to such an extent that La Halde has expressed reservations with respect to the diversity label, hoping that it does not become a formal communication exercise.

Regardless of whether a label is more or less "lite", enterprises

recognize that the labelling and/or audit process allows them to take stock of their HR processes, the better to restructure them. They also recognize that it takes a lot of time (as long as 8 months for the equality label) and costs a lot of money: 15 to 40,000 euros for a diversity diagnosis, up to 60,000 euros for a diversity label (according to the size of the enterprise and the number of sites).

At this rate, it is thus legitimate to ask whether (enterprises being forced to limit these audits to a few sites) it would not be more profitable and relevant to give precedence to internal controls over external review, i.e. promote social dialogue and negotiated agreements which, since they involve trade unions, end up by being taken over by them.

« Directory of professional gender equality practices in enterprises »

This directory, produced by ORSE, with the support of the Department of the Secretary of State for solidarity, as part of a project financed by the European Social Fund, classifies the range of issues relating to equality thematically, in order to bring out innovative corporate practices and agreements.

It covers concrete issues such as mixed professions, female access to positions of responsibility and action plans to reduce salary gaps, in the form of 22 information sheets:

- Strategy
- The Comparative Situation Report
- The players in equality
- Enterprise negotiations
- Professional equality issues for SMEs
- International social dialogue
- Tools for the implementation of a professional equality policy
- Information and awareness
- The promotion of professional equality
- Recruitment
- The professional career path
- Mixed professions
- Action plans to reduce salary gaps
- Adjustment and organization of working hours
- Working conditions
- Geographical and functional mobility
- Competency and life training
- The work-family life balance
- Services for employees
- Leaders and high potential
- Promoting women's networks
- The action of 5 union confederations

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EVENTS

DIARY

→ A Geneva, 2 and 3 July 2009

The Global Ethics Forum at the UN Palace of Nations in Geneva will gather between 500 and 600 leaders to discuss the issue of reacting responsibly in the face of the global economic crisis.

Registration on:

www.globalethicsforum.org

→ Lille, 19, 20 and 21 November 2009

After "diversity" in 2007 and "feed and protect the planet" in 2008, the theme of the next World Forum in Lille (organized by the Alliance network, chaired by Philippe Vasseur), will be "Sustainable finance: what are good practices in the field of finance?".

Info.:

www.worldforum-lille.org

