

EOC Guiding Principles by Leo Andringa

Guiding Principles for EOC Companies

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Introduction

Over the past decade, since the Economy of Communion was launched the company leaders promoting the idea across the world have debated about what it is that distinguishes an EOC company. On several occasions discussions have arisen regarding whether or not the EOC should have some kind of trade mark, much along the lines of fair trade products, ethical investment or organic produce. Given the newness of this idea, we feel that such a trademark would be premature. Instead, in 2001, over 600 entrepreneurs came together to examine the certain basic principles and values that delineate an EoC company. We came up with a set of guiding principles based on seven key aspects of corporate life.

These guidelines are voluntary and, above all, represent a personal commitment on the part of the companies to operate in accordance with their own beliefs and values, be they Christian or otherwise. Indeed, the EOC now embraces people of all faiths and none who are committed to building a new kind of economic culture founded on love of neighbour. Each company is free to put the guidelines into practice according to local circumstances and culture. The principles and examples here are meant to provide some idea and illustrations of how the EoC can be lived within existing companies. These guiding principles are obviously just a first step in trying to set out what an EOC company is. They are not set in stone – but constantly under review. I will now highlight some of the salient aspects of these guiding principles.

Guiding Principles for EOC Companies

Firstly, it has to be said that EOC Companies are “for profit” organizations operating in the marketplace the same as other companies. As with many other companies, they give a part of their profits to good causes.

The primary goal EOC Companies is to generate profits to support persons in need and spread a culture of communion.

1. Economy and Work: communion of persons.

The first aspect regards the attitude of the EOC companies to all financial matters related to corporate governance. It also relates to the “communion of persons” which is at the center of the company – not capital.

- For the company leaders, and all involved, the primary reward is not financial, but the satisfaction gained from transforming the company into a close-knit community and generating profits for redistribution to the poor.
- Accordingly, the EOC companies seek to manage their finances well, well so that profits

and the company will grow. The company leaders make investment decisions prudently, according to sound ethical principles.

- Job creation is an important aspect of EOC company life and a contribution to society as a whole. Where appropriate, the companies adopt programmes to aid employees in times of need.
- In terms of human capital, the company strives to make the best use of each employee's talents and to create a climate conducive to personal creativity, risk-taking, and fulfillment. All members of the organisation become stakeholders and work together to define and realize the goals of the company.

2. Relationships with Customers, Suppliers, the Public and others external to the Company.

The second aspect relates to all the external relations of the company, including customer relations, local community, partnerships, marketing, public relations management, and suppliers.

- EOC companies work together with suppliers to provide useful and quality products and services at fair prices.
- The members of EOC companies work to establish and strengthen good and sincere relations with customers, suppliers, and the community.
- –EOC companies engage in fair play with competitors and maintains mutual respect when negotiating with suppliers and customers. It takes the initiative, where necessary, to overcome potentially negative competitive practices.

3. Ethics

The EOC companies feel it is necessary to take a strong stance on many ethics related issues, especially relating to tax and anti-corruption.

- EOC companies fulfill their tax obligations in a transparent manner, recognizing this as a contribution towards the common good.
- EOC companies comply with local laws and standards.
- In all dealings, EOC companies uphold the highest standards of honest practice, avoiding all forms of under-hand dealings and bribery.
- Employees of EOC companies are granted the right to participate in unions and professional associations if they so choose.

4. Health and Well-being

The health and well-being of all members of the company, as well as the external impact of the company on the environment is the fourth aspect of the EOC guiding principles.

- Particular attention is given to the health and well-being of every member of the company. This includes ensuring that employees are able to attain a healthy work-life balance (for example, through flexible working, family friendly working and adequate

vacation allowances.)

- Special provision is made within the company for accommodating and welcoming people with special needs.
- Working conditions suitable to the type of company are provided, such as, adequate ventilation, lighting, acceptable noise levels. They follow appropriate safety practices and respect the capabilities of every worker.
- EOC companies produce safe and environmentally friendly products and services, promoting the conservation of energy and resources throughout the life-cycle of the product or service.

5. Harmony in the Working Environment.

The fifth aspect regards the kind of working environment within EOC companies and the kind of organizational structures that can support such a working environment. EOC companies seek, above all, to ensure that the work environment is joyful and friendly, and that mutual respect, trust, and consideration prevail.

- The EOC company leaders create a vision, objectives, and plans for the company together with all members and carry out their plans using modern, people oriented management techniques. They meet regularly to review the quality of the relationships among them.
- EOC companies apply management systems and organisational structures that foster teamwork and personal development. These facilitate the sharing of new ideas and know-how for the professional growth of their colleagues and the progress of the company.
- EOC company leaders and members of the company resolve difficult company situations together. The process of resolving these difficulties often has positive effects on the members of the company leading to greater creativity, productivity, innovation, and maturity.

6. Training and Education

The sixth aspect regards the approach of EOC companies to organizational learning, training and education. As the human person is at the center of the EOC companies, the leaders recognize the importance of continual learning within the organization.

- The company, as a whole, seeks to become a learning organization and to constantly evolve in order to adapt to new challenges and environments. As a result, it puts in place mechanisms which facilitate the exchange of ideas, knowledge, experience and best practice amongst all members of the company.
- All members of the company are given adequate time and resources to update their skills and knowledge so as to maintain a high level of professional aptitude.

7. Communications

The final aspect of the EOC guiding principles regards the flow of information and internal

communications within the companies. As the companies seek to put communion into practice, they recognize the prime importance of maintaining and developing communications.

- EOC companies create a climate which fosters open and honest communications. Systems are put in place to ensure opportunities for the exchange of opinion and ideas between employees and managers.
- EOC companies make full use of modern means of communication and information technology in order to facilitate rapid and full information exchange.
- EOC Companies remain in close contact with other companies seeking to incorporate the same principles at a local and international level to celebrate successes and to learn from failures.

EOC and Corporate Social Responsibility: some comparisons

It is interesting to compare the approach of the EOC with the general idea of Corporate Social Responsibility (CSR) that is prevalent today. I cannot go into details here, but I would like to highlight a few key points, which can highlight the ways in which the EOC can revolutionise CSR and has “something extra” to offer.

1. Firstly, the EOC offers an example and support society for a more equal and just income redistribution, profit for the poor instead of the wealthy.
2. give an example and support job creation as a goal of the enterprise.
3. train persons in a mentality of social responsibility, this works as a virus to infect others
4. build csr from within the company, without external pressure
5. give csr an impact that competes with mainstream economics of self-interest
6. give csr an effect that goes beyond neutralizing negative external effects of an enterprise
7. offer the key (of unity) to manage conflicting guidelines/principles
8. empower a company to be co-constructer of the “common good”
9. give society a model of organized fraternity that can help rebuild society
10. offer hope to society that economic problems can be solved.

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