

Business and social responsibility

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Introduction

Personare, the Latin verb which general meaning of to make sound is the root of the word person, as an instrument of dramatic speech, has come to acquire in Spanish, in that reflexive form "personarse", the sense of appearing as a subject of voice, in other words, as rational being. (New roles of the university office by Don Alvaro d'Ors, pp.379).

Beyond the corporate world, corporate social responsibility is providing fertile ground for think-tanks and consulting firms.

Governments are taking a more serious interest, for example in Britain the "2006 Companies Act" introduced the requirement for public companies to submit a report on social and environmental issues.

On the other hand United Nations promotes corporate responsibility around the world through a group based in New York called the Global Compact. For its part Business Schools have incorporated social responsibility programs to their courses and established within its organization social responsibility departments to keep their different MBA students satisfied.

We may ask, why the interest now? For many reasons, one of them is that companies work hard to protect their reputation and by extension the environment where they do business. Enron's and World Com's Scandals, to name a few, undermine significantly consumer confidence in the firms, and cause the government's reaction, increasing administrative or legal regulations. Embarrassing news anywhere in the world of children working with pieces of clothing with your company's brand can be captured by a camera and published everywhere in an instant, thanks to Internet technology, showing circumstances of child exploitation that damage the reputation of a company. Another issue that has urged corporate social responsibility is climate change; perhaps this issue has been the most important catalyst for this current global concern for social responsibility. This "green awakening" has provoked that company after company start to put the means to tackle global warming we are experiencing.

More and more worldwide known companies are under public scrutiny for irregularities in matters of social responsibility, as has been the case of Nike, or Gap, in the clothing industry, on charges of labor abuses against children. In the

computer industry, Google had to appear before the U.S. Congress for its misconduct in China.

“Doing well by doing good”, has become a fashion mantra in business. Corporates are deciding to integrate social responsibility into the heart of their activities, looking forward to convert social responsibility in part of their business DNA.

One idea that has helped this new trend has appeared published in the business magazine from Harvard University in December 2007 in an article by Michael Porter, in which he argues that corporate social responsibility must become an essential part of the company's competitive advantage in a particular market.

Another point to consider is what has been named as "the feel good factor", this means helping others to feel good and doing this yourself will feel better.

Stages

The British weekly "The Economist" in its special report in January 2008, entitled "Just good business - A special report on corporate social responsibility", says that in corporate social responsibility has traditionally been three layers. The first one has been the extension of checks or philanthropy. The second, has been known as “branch of risk management”, which is the responsibility to take care of your environment and your employees in order to protect your corporate image.

Unfortunate cases of failure of this second stage have been Exxon's accident in the 80's, with the oil spill in the ocean, or the cases already mentioned in the clothing industry of Nike and Gap.

The third stage would be the also mentioned earlier in this same text, corporate social responsibility as part of a competitive advantage in your industry. Coca Cola has become a good example of this last stage, and has identified that water conservation is a critical aspect in the future of this company, which currently appears as the largest and most powerful beverage industry in the world. For this purpose Coca Cola works with Greenpeace. In the early 90', this alliance would have been unthinkable, now is a reality.

Greg Kell, director of Global Compact, of UN, says these new trends in social responsibility have changed the form of commitments in the world in its moral aspect and its way of doing business.

Here is important to take into account that the purpose is not to delete what the company already does very good, as generating wealth, employment, innovation, production, etc., But to integrate with balance, a social need that becomes business and becomes the DNA of our competitive advantage.

Types of Social Responsibility

It is significantly that in McKinsey forecasting about the big themes that will weigh more on the political agendas of the world most important governments, for the next five years, the issue of corporate social responsibility is so prevalent. In order of importance McKinsey lists the following topics:

- 1 .- Environment.
 - 2 .- Safer consumer products.
 - 3 .- Retirement benefits.
 - 4 .- Health Benefits.
 - 5 .- Consumer products with affordable prices.
 - 6 .- Human rights parameters.
 - 7 .- Conditions of the working environment.
 - 8 .- Loss of jobs because of outsourcing.
 - 9 .- Privacy and data security.
 - 10 .- Ethically produced consumer products.
- (McKinsey survey, september 2007).

Good corporate governance means that a company with its conduct exceeds that which is indispensably required.

This must be so because the powers of government in the western industrialized world have been declining, and the sphere of corporate influence has been widening.

Currently, companies are involved in the health of their workers, in the education of their employees and their children's, and they even worry about pensions they will enjoy when it gets the time of retirement. Corporations are having an impact almost on everything, from the quality of air we breathe, to the safety of the medicines we take.

Companies have become key elements for the survival of governments and also to the stability of public policies in different countries and regions. The gradual interference of the companies, should be considered as greater civil society participation. Civil society has taken a more prominent role in the international media following the Conference on Development and Environment of the United Nations in Rio de Janeiro.

Since this United Nations Conference it has been a proliferation of nongovernmental organizations (NGOs), many of them with global presence. It was the World Economic Forum in 1971, the first organization of international stature, to identify the concept of "stake holder", the idea that a company has a social responsibility beyond their own shareholders.

Two years later, this concept of "stake holder", became the cornerstone of the Davos Declaration, which articulated the fundamental principles of corporate social and environmental responsibility.

As a consequence of the World Economic Forum and the Davos Declaration, there has been established five fundamental concepts that define the different types of commitments that a company can take.

1. - Corporate Governance
2. - Corporate Philanthropy
3. - Corporate Social Responsibility
4. - Corporate Social Entrepreneurship
5. - Global Corporate Citizenship

Good Corporate Governance means that the company accomplishes or exceeds with the requirements of the institution placed on the paper without causing any collateral damage, just because the rules of the organization are well followed and the minimum is over passed.

Without good corporate governance, no other form of corporate engagement is credible.

Good corporate governance involves more than the mere fact of how a company is governed, it also involves compliance with national and international laws, that it is clear, that there is accountability, and that we find there ethical rules and codes of social and environmental conduct.

A key part of corporate governance is the development and implementation of internal programs to promote business ethics, moral quality measurement in the processes and socially acceptable practices.

This government can be especially difficult in places where no Rule of Law prevails, or in jurisdictions where what is socially acceptable goes against what are the best practices of a company.

There are new areas requiring new rules for its proper regulation, such as, criteria for executive compensation, and transparency in new financial instruments such as hedge funds and private equity funds.

In the past, corporate philanthropy was the preferred way for corporations to return to society what they had taken from it. Business leaders now recognize that their companies can make a much more effective work through engagement activities.

These engagement activities will be materialized in a nice boost to the stake holders of the company to work as a team, to work on what has been called "corporate social responsibility"

Corporate social responsibility is about how a company responds to the expectations of its stake holders -the broad community of organizations and individuals who in any way are affected by or interested in its activities: shareholders, owners, investors, employees, suppliers, customers, consumers, -as they try to increase the value of the company.

Corporate social responsibility means addressing all the implications that the company may have in financial and environmental issues and generally all impacts that may socially exist.

This entails minimizing the negative effects of corporate behavior and maximizing the positive for all stake holders, as well as for the whole community where the corporate develops its work and for government with which it works. The Corporate social entrepreneurship is strictly defined as the transformation of social and environmental issues responsible ideas, into products or services. Function model of a social entrepreneur is Muhammad Yunus, the inventor of microcredit, who received the Nobel Peace Prize in 2006.

On the topic of microcredit The Economist in 2007 entitled one of his articles "Small loans and big Ambitions", here is described the case of Mexican company Compartamos, which is not the largest bank in Mexico, but that might be the most important. The company was established in 1990 as a nonprofit group, making small loans, -microcredits- to poor people. Compartamos seventeen years after its founding exceeds the 612.000 loans. Currently is a profit group and is one of the few microlenders accredited by international credit agencies to develop their activities, in addition it was given the right to issue bonds, and in June 2006, received from the Mexican government green light to be transformed into a bank. Compartamos has already gone public and in its first two decades of life it has had an amazing take off as Microfinancial Company. Having started as a small organization driven by charities, it has evolved and has gained the support of international financial corporations and the World Bank and European Bank for Reconstruction and Development. As in the case of Compartamos, now several Microfinancial companies are seeking a profit.

Other examples of corporate social entrepreneurship include Deutsche Bank, which has offered innovative microfinances schemes and also socially responsible investment products. Toyota Motor Corporation is also in this list with its green initiative of the hybrid car.

If a company gives water to a community, it would make a philanthropic activity, but if this same company sells recycled water to this community in biodegradable bottles, then it would perform an act of corporate social entrepreneurship.

Global corporate citizenship has a civic duty to contribute to sustaining the welfare of the world in cooperation with governments and civil society.

Global corporate citizenship goes to the role that companies play in behaviors of high-impact issues for the future of planet Earth, such as global warming, water shortages, disease by infection, and international terrorism. Other challenges involve providing access to food, education, and information technology.

Global corporate citizenship is an extension of the stake holder concept in a global society, along with government and civil society.

The proliferation of websites on the Internet, new network channels such as the now called blogs and the rise of shareholder activism are making business people to see beyond the next financial quarter's of their businesses. (Foreign Affairs, January / February 2008, Global corporate citizenship, "working with governments and civil Society.)

Michael Porter and Mark Kramer wrote in December 2006 in the Business Journal of Harvard School, the thesis that every enterprise should identify in their own community what are the most pressing social needs, and based on this; self-examine to discover what resources they have and what are they better equipped to meet these needs, making of them a business and a competitive advantage.

Porter and Kramer add, when a good company applies its vast resources, its experience and its government to the problems that it understands and that are within their interest, social outcomes are generally very positive and very difficult to imitate for any other institution, NGOs, or philanthropic initiative. In 2006 a Chinese solar engineer had much to celebrate, as the company that started in 2001, Sun Tech, made him the richest Chinese in mainland China. For 2007, Sun Tech had already become the third largest in the world in solar cell production.

In the case of corporate social responsibility we can observe that when the corporate strategy is weak and initiatives at business unit level are strong, the corporate center simply creates the conditions for the business units to develop new projects and outline the corporate strategy, this is "bottom-up" approach. But if corporate strategy is the one strong, and business level initiatives are those that are weak, this means that the corporate center teaches corporate strategy, in other words, the center visualizes and the organization continues. This is the "top down" approach.

Experience shows that in both "bottom-up" and "top-down" approaches, the creation of value is less than in the situation of strategic harmony. (Strategic social action Urriolagoitia Lourdes, p.112).

In May 2001, France made it obligatory for companies listed on the French stock market to present a report on their environmental and social performance. Since the Nobel Prize for Economics winner, Milton Friedman, coined his

categorical definition of corporate social responsibility as “maximizing profits for shareholders” in 1970, a widespread debate about the extent of involvement of business in mitigation of problems affecting society has been formed. (The New York Times Magazine, Sept. 13. 1970).

J & J used his own Credo, -where is contained the statement of business principles-, as the basis of their response to the crisis of Tylenol in 1982, when the death of seven people in the Chicago area revealed that someone, - that was not an employee-, had poisoned some bottles of Tylenol with cyanide. J & J immediately withdrew all the capsules of the drug that were in the entire U.S. market, even though there had been victims only in the Chicago area, with a cost estimated in 100 million dollars, in addition to organizing a communication team of 2, 500 people to alert the public and face the problem. (Built to Last by James Collins, p.73). Commenting on the crisis, the Washington Post said: "J & J has been clearly shown to the public as a company that is willing to do what is right, whatever the cost is". (Francis J. Aguilar and Harbin Bhambri, Johnson & Johnson, Harvard Business School, case number 5).

Social Innovation

Fidelity from the Latin fidelis, which comes from fides, " needle scale", thread, tie, by extension of meaning to say: connection with the own convictions. (A theory of happiness, Enrique Rojas, p.335)

A habit has nothing of routine, because it is creative: not repeating, it adds. Habits are catalysts of innovation, they fertilize the vital energy, they increase exponentially skills which acquisition never stops, because the earned enables them to earn more.

Do not confuse the character with temperament. The character is acquired, whereas temperament is inborn, biologically inherited. Temperament has a lot of physiological, while the character is a predominantly ethical concept. The character becomes the operational profile that is given me by virtues. (Life achieved by Alejandro Llano, p.37)

Santiago Alvarez de Mon points in his book *From the adversity*, that we have to be prepared for the worst, always hoping for the best.

The same Álvarez de Mon says that if we separate the word responsibility, it is noticeable that there are two words in one, in other words respon- of response - and ability of ability, is the ability to respond to what happens. (From the adversity, Santiago Alvarez de Mon, p. 110, 115). Nowadays big multinationals publish their own sustainability reports, full of commitments and objectives. The Global Reporting Initiative, located in

Amsterdam aims to provide an international measure of 79 indicators to be used by companies.

This initiative can indeed be a good start, but its critics assert that this could develop into a "box-ticking" bureaucratic compliance of requirements without real importance, some say than even worse this could become a curtain to cover up the bad practices of some companies.

Business leaders identify with the corporate social responsibility, for several reasons. Wal-Mart's CEO Lee Scott claims to be a convert to the corporate social responsibility because of Hurricane Katrina, and talks about his mission to service not only clients but also to communities, countries and even their service to the world.

The legal issue is also playing an important role in these issues of corporate social responsibility, as seen in the case of Yahoo. This technology company got into trouble because of the imprisonment of two Chinese dissidents who were arrested shortly after Yahoo provided information of these people to the Chinese authorities.

In November 2007, Yahoo's CEO Jerry Yang and his top lawyers had to listen to Tom Lantos, a U.S. congressman who denounced them and talked about the company as a technology giant, but a moral pygmy.

The next week, Yahoo's lawyers and relatives of Chinese victims reached an agreement out of court.

Currently in the United States there is a legal instrument of choice (as in the case described above of Yahoo), and is the Aileen Tort Claims Act, which allows to take companies before a court of law for having violated a human right abroad. (The Economist, "Just good business," A special report on corporate social responsibility, "January 19th 2008).

The United States' reputation as a world leader in higher education is based on the versatile ability of these institutions, taken together, to meet the practical needs of the economy, and more importantly, unleash the creative thinking that drives it. (The Age of Turbulence by Alan Greenspan, p. 454) The Nobel laureate economist Joseph E. Stiglitz, in his work *How to make globalization work*, says there is an increasing number of companies for which corporate social responsibility (CSR) is part of business efficiency, "and studies suggest that socially responsible companies perform better in the stock market than others". (How to make globalization work, by Joseph E. Stiglitz, p. 254). If we try to summarize all the work of Peter Drucker, in three major themes, we can see that these great issues are transfixed by the lifeblood of social responsibility.

The first would be that the Management should be considered as a profession,

this implies that directors and managers must always bear in mind that their first obligation is to seek long-term corporate health of their business. This means among other things that the welfare should not only be seek within the walls of the company but also provide a social value to the community. The second issue concerning Drucker would be the knowledge workers, which according to our author doesn't have to be controlled, rather they should be motivated. Being this motivation a broader scope than just the economic motivation.

When the motivation or the game are just about money, asymmetries in society tend to increase unfavorably.

The third issue would be the synergy that should exist between private sector institutions, especially non-profit groups, and government institutions. (Harvard Business Review, November 2009, Drucker today, p. 70)

The word "authority" comes from the Latin verb "augere": increase, go ahead. The "auctoritas", was the person that had to face difficulties before others. The general who commanded the troops in front, sword in hand. His towing capacity, his authority rests on his exemplary. Typical case is Alexander the Great, who in campaign was at the frontline.

Currently, the "Auger", being the first, is explicitly asked to the head of an organization in times of crisis. It has its overtones of wisdom: "The captain sinks with his ship."

The old insurance companies put this condition for insuring a boat. It was the tragic way to make sure that the captain would do even the impossible to save the boat, before abandoning it for any storm. As it says Carlos Llano and Hector Zagal in his book *The ethical rescue of the company and the market*: "A person cannot be earning as a general director and fleeing as a rat when difficulties are presented". (The ethical rescue of the company and the Market by Carlos Llano and Hector Zagal, p. 87).

The Nokia company has launched its information service called "Nokia life tools", in India since last June 2009, in which in addition to the educational and entertainment services it provides, you can now get information on topics of agriculture and prices of different products on the market and also weather conditions and advices on management and operation of farms. This service is charged monthly by Nokia, and has once again shown the importance of telecommunications and specifically cell phones as business promoters and of the increase of life quality parameters among people who are at the bottom of the social pyramid.

No other technology has so directly and in less time made a bigger difference in the lives of people who are at alarming levels of poverty, as mobile phones have.

This development also represents a great effort in the telecommunications world, because of the attempt to connect people on the planet in a global way, which has an important milestone with the advent of the telegraph in 1791, and has another prime-time with the mass distribution of Cell Phones. (The Economist, Mobile marvels,-A special report on telecoms in Emerging Markets ", September 26th 2009).

Another interesting and successful case belonging to the scheme "win-win" is the example of SAB Miller, one of the largest breweries in the world created from the merge of South Africa Breweries and Miller Brewing Company. This brewery has proposed itself to bring to the market the local flavor that more sales in its various outlets can bring them. As sorghum beer flavor. These experiments besides helping developing the company's technology have also served to increase the variety of its offer, as well as helping developing the infrastructure and production of raw materials from different communities. By doing this, not importing raw material for brewing sorghum flavor beer, but buying sorghum to local farmers, the company has helped among other things to stabilize commodity prices, and increase the income of farmers. In resume we can say that these kinds of initiatives bring more investment, more growth and in consequence less poverty.

I can also note that for every job generated by SAB Miller's with the schedule mentioned above in a country like Uganda, where for the first time the sorghum flavor was used by the brewery, the company holds directly or indirectly about a hundred other jobs around the country, working not only to solve the problem of people at the base of the pyramid, but also helping the development throughout Uganda. (Foreign Affair July / August 2009, African Capitalist Revolution, Growth-preserving in a time of crisis ").

I recognize that it is really difficult to quantify the levels of poverty but according to the World Bank, the number of people living with less than a dollar a day, an extreme poverty threshold commonly used, has fallen sharply from 1.247 billion in 1990 to 986 million in 2004.

In addition, since 1970, the infant mortality rate has fallen by more than half, school enrollment rates have grown steadily and literacy rates are on the rise (The data on global poverty rates proceed from the World Bank). Joseph E. Stiglitz, in his book *How to make globalization work*, in its chapter number six titled "Save the planet", proposes that the WTO should have legal capacity to impose trade restrictions and taxes or tax collection measures to its members that violate environmental laws. (How to make globalization work, by Joseph E. Stiglitz, p.211). It should be added to the assessment of Stiglitz, that this would be practically impossible especially in the category that suggests trade restrictions without the cooperation of enterprises.

Since the future is subject to many unforeseeable contingencies, in general it would be unreasonable to commit to a detailed plan or a long-term program, what is needed is to outline the general features of what we call a vocation or what in business terms is called the mission statement of the company, a basic set of guidelines and commitments, that takes into consideration the circumstances, talents and special opportunities of each one. Juan Elegido asks us, ¿and why one would choose such a "life plan" or "vocation"?, is Elegido himself who answers, "said it the easiest way: everyone has before it a vast field of opportunities to achieve worthy goals, but if we do not impose stable priorities in feelings, always changeable about the attraction and repulsion that we experience, such opportunities are condemned to be wasted" (Foundations of Business Ethics, "The perspective of a developing country," by Juan M. Elegido - p.87)

Henry Ford said in 1916: "I do not think we should gain much in our vehicles. A reasonable profit is fine, but not exaggerated. "

"I maintain that it is better to sell a large number of cars with a reasonable profit, small. I maintain this because it allows more people to buy and enjoy a car and because it gives jobs to more people with good wages. These are the two goals that I pursue in life. "(Detroit News, November 14, 1916).

Ford transformed the lives of 15 million American families with the T Model, the car of the people who put at their disposal, reducing prices by 58 percent between 1908 and 1916. At that time, Ford received more orders than it could meet, and he could have raised prices. (Built to Last, by James C. Collins). The Christian novelty is principally to make the prudence rely on the theological virtue of the Caritas. So when Dante, in the chant 29 of his "Purgatorio", when he describes the progress of the triumphal chariot of the Church, he places the three theological virtues to the right and he says about the others: "prudence, fundamental virtue, but it as the others is dressed in Porpora, which is the color of charity. "

The diminished view is the forecast: a simple caution for a particular act of this life, a knowhow of technical aspect. Forecasting is a limited knowledge. Prudence is absolute science, science that is projected not as a forecast, but as total Providence; Divine Providence.

Between Divine Providence and the miserable forecast, as is said by Don Alvaro d'Ors, prudence is disputed. (New roles of the university office by Don Alvaro d'Ors, pp.484).

Prudence is not cautious of moment, is not wise precaution in a single action, but a complete knowledge of everything that is ordered to comply with human ends.

Prudence will be as rightly saw Socrates and Plato and the Stoics and Catholic

theology, the fundamental virtue, which encompasses all others. The wise man is the one who orders his conduct to the human and otherworldly end of his life. Is able to see his destination, but also its extension. (New roles of the university office by Don Alvaro d'Ors, pp.486).

To define what is and who is an entrepreneur, Drucker refers to the French economist Jean Baptiste Say, who around 1800 wrote that "the entrepreneur changes economic resources from low productivity and performance areas to high productivity and performance areas".

Drucker adds that the entrepreneur acts not only in the economic sphere but also in the social, political, scientific and technological.

What defines an entrepreneur, Drucker writes, is he looks for change, responds to it and exploits it as an opportunity. The examples given by Drucker in his book *Innovation and Entrepreneurship* referred not only to innovative entrepreneurs like Ray Krock, founder of the McDonalds hamburger chain, but also to Scientifics such as Alexander Fleming, discoverer of penicillin, politicians such as Machiavelli Political Theory initiator of the modern state, and social reformers.

Entrepreneurship, according to Drucker, is both practical and theoretical discipline of the entrepreneur. It can be understood as the ability to act as an entrepreneur, the ability to shift resources in order to create greater wealth. But it is also an established discipline, systematized and invented by Drucker himself, which is based both on the practice of Management, as well as on economic and social theory: the theory of change and innovation. Initiated by the economist Schumpeter, Drucker has going deeper into it to discover a methodology, which is perfectly described in his book *Innovation and Entrepreneurship*, and the seven sources from which opportunities emerge for innovation.

Drucker insists a lot in this book, as well as in other works, that the Entrepreneurship, rather than personality traits, is a discipline that can be taught, learned and applied, and that does not depend on neither inspiration, nor the kiss of the muses, but essentially the hard and systematic work. (The New Realities, Peter Drucker, pp. 381)

Alejandro Llano in his book, *The Enigma of representation*, says in chapter three, entitled "The threshold of the cave", that is just at the threshold where the ruler responsible must move. Llano uses the book VII of Plato's Republic, which begins to tell a story, -or better said a myth-, which is one of the most beautiful and dense topics of Western culture, to explain that who lives in a world of representations not according to the correspondent realities, "lives dreaming", while the one not confusing the representation with reality, "lives awake" (The Enigma of representation, by Alejandro Llano, pp. 42), in other words lives on the threshold of the cave, or said differently, you can live dreaming but with

eyes wide open, eyes wide open to discover what are the social needs around us and how we can attend them in a clever and innovative way. It is common doctrine of all ancient and modern moralists that fortitude virtue has many more carats in defense, that in the attack; but also, it ceases to be a virtue, when it's placed in the service of injustice or the simple reckless bravado. (Papers from the university office by Álvaro d'Ors, pp.334). About the trust that is imperative that exists in every socially responsible company, Carlos Llano and Hector Zagal, in their book *The ethical rescue of the company and the market*, set the example of Cassandra and Niobe to illustrate how catastrophic an organization can be when this value does not exist. As remembered Cassandra is a Trojan character, who had received the gift of prophecy together with the curse that nobody would believe her. While Niobe, gives rise to the myth of the KGB, or the myth of Niobe. Since Niobe is vain and boastful before the gods of her offspring, she earns the contempt of Apollo and Diana, who killed Niobidas, Niobe's children. In other words, they promote humility with arrows.

Excessive controls, Llano and Zagal say, only generate bureaucracy in the short-term, they stifle the initiative of employees in the mid-term and in the long-term they conduce to corruption. (*The ethical rescue of the company and the Market* by Carlos Llano and Hector Zagal, pp. 118 and 123).

Is responsibility for contribution, the function rather than the power that defines Manager and Management according to Drucker. Indeed, the latest definition of Drucker respecting Management points out in this regard: "Management consists in defining the mission and goals of the company, and in organizing and motivating the human resources and energies in order to achieve them". (*The New Realities*, by Peter Drucker, pp. 381).

Carlos Llano and Hector Zagal, in their joint work *The ethical rescue of the company and the market*, talk about the virtue of magnanimity, and they say how "the graffiti of the 1968 student revolt in France exemplify and summarize magnanimity". "Be realistic, demand the impossible". (*The ethical rescue of the company and the Market* by Carlos Llano and Hector Zagal, pp. 78). Currently there are big multinationals that are very concerned about making money and deliver dividends to its shareholders; some of them have been ignoring the importance and the responsibility they have with their organization to cultivate talent. That is why some executives are beginning to think that they are nothing more than a gear in the machinery of production, or as british say a simple "cog in a wheel." It is in this context that we should revive the practice of mentoring, which recently has been significantly damaged by a hyper-competitive environment in the professional world in growth.

Manifestation of this growing professional world is that the definition of a small firm of lawyers comprised a law firm composed of less than fifty lawyers, this in

the late 90's, of the XX century. Ten years later, by the end of the first decade of this new century, the definition of a small law firm, comprises less than 100 lawyers working in that firm.

The exponential growth in professional organizations or businesses makes necessary to resume the institution of Mentoring.

To explore this issue, the first thing we must ask is: What makes a good mentor? The answer lies in the following four points:

1. – Is a person who enjoys full credibility, and thanks to his integrity, his example transcends his message.
2. - Is who communicates to you ideas that you may not like to hear, but because of the interaction that has with you, helps you to be a better professional.
3. - Is who gives you confidence to take risks, and support you in these efforts.
4. - Is a tutor that presents to you opportunities and points out challenges, which quite possibly would have never be found by yourself.

Some principles to be taken into account in Mentoring are:

- A) Mentoring must be personal.
- B) It has to be considerate that in this process not all person or employee is an A player.
- C) Choice assignments are in short supply.
- D) Mentoring is a two-way street.

We must note that even in very high performance companies were A player as executives abound, B players are whom remain being the heart and soul of the organization. So if these B players are mediocre, despite the important executives A, the organization will be mediocre, however, if these B players are efficient and effective employees, then the company will be an outstanding company.

These B players in the company tend to be solid citizens of the organization, whom often differ from the stars, for the given stability to their work, for staying longer in the staff than star executives, and this stability helps to go building institutional knowledge that is indispensable to any company.

It is also common that these B players for his own interest in stability tend more often to pursue institutional purposes than A players, whom with some regularity think more about their personal goals rather than the institutional goals. For these reasons it is natural to find among B players, people whom are especially eager to teamwork, than among the A players.

Finally I think the D) principle also deserves a little consideration, because when we say that mentoring is a two-way street, we are saying that Mentoring is not

only an assignment work, but in many cases it should be looked, earned, and make it attractive to our heads.

To a large extent making Mentoring attractive consist in building the idea that this practice is not only useful to the individual careers of the professionals, but is also very useful for feedback and teamwork. (Harvard Business Review, January 2008, Why Mentoring Matters in a hypercompetitive world, p.121) Thomas Aquinas says if we learn to do something doing it, we will learn to do it well, by doing it well, so we need good teachers to address our initial effort competently. (Thomas Aquinas, In III Ethics, n.252).