



The Sustainable Development

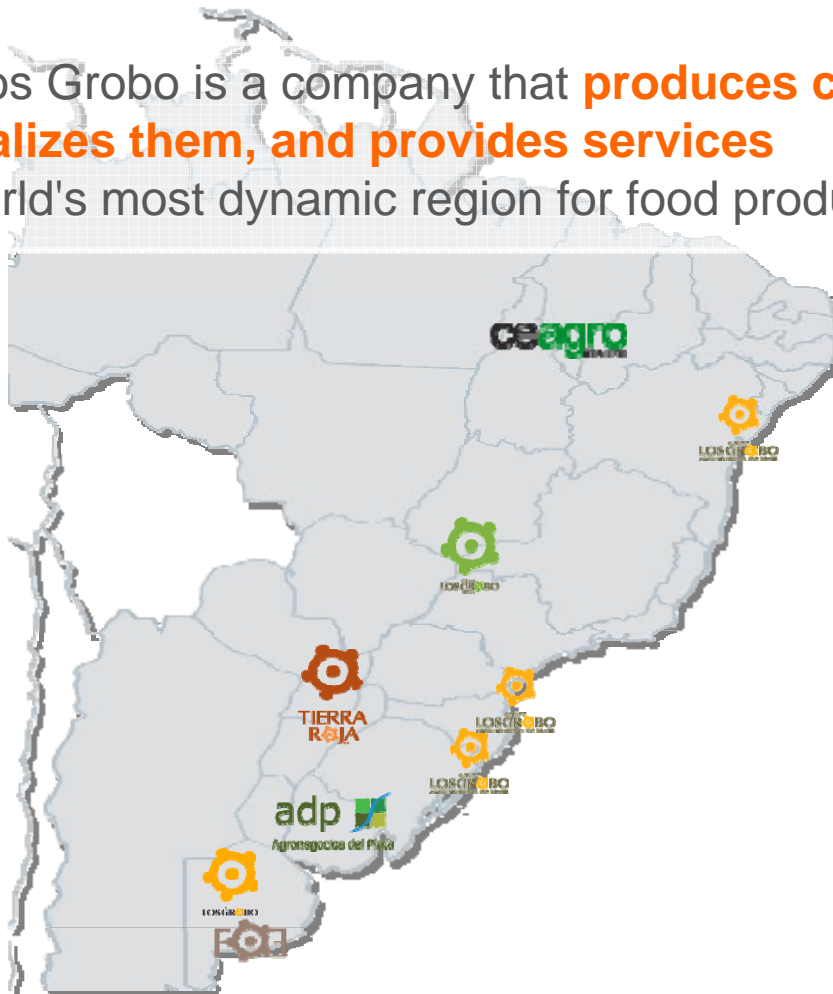
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Grupo Los Grobo is a company that **produces commodities, industrializes them, and provides services** in the world's most dynamic region for food production



SUMMARY:

700 million us\$ in annual revenues
 2,5 million tons of grain annually traded
 250.000 hectares of land under production
 1.000 employees
 5.000 customers and 3.800 suppliers
 45 branches in 4 countries
 Shareholders are 69 from 3 countries

Organizational Design: Network

Business Model: Vertical integration + Diversification

Core Competencies: Quality + Innovation

The new dynamics of organizations



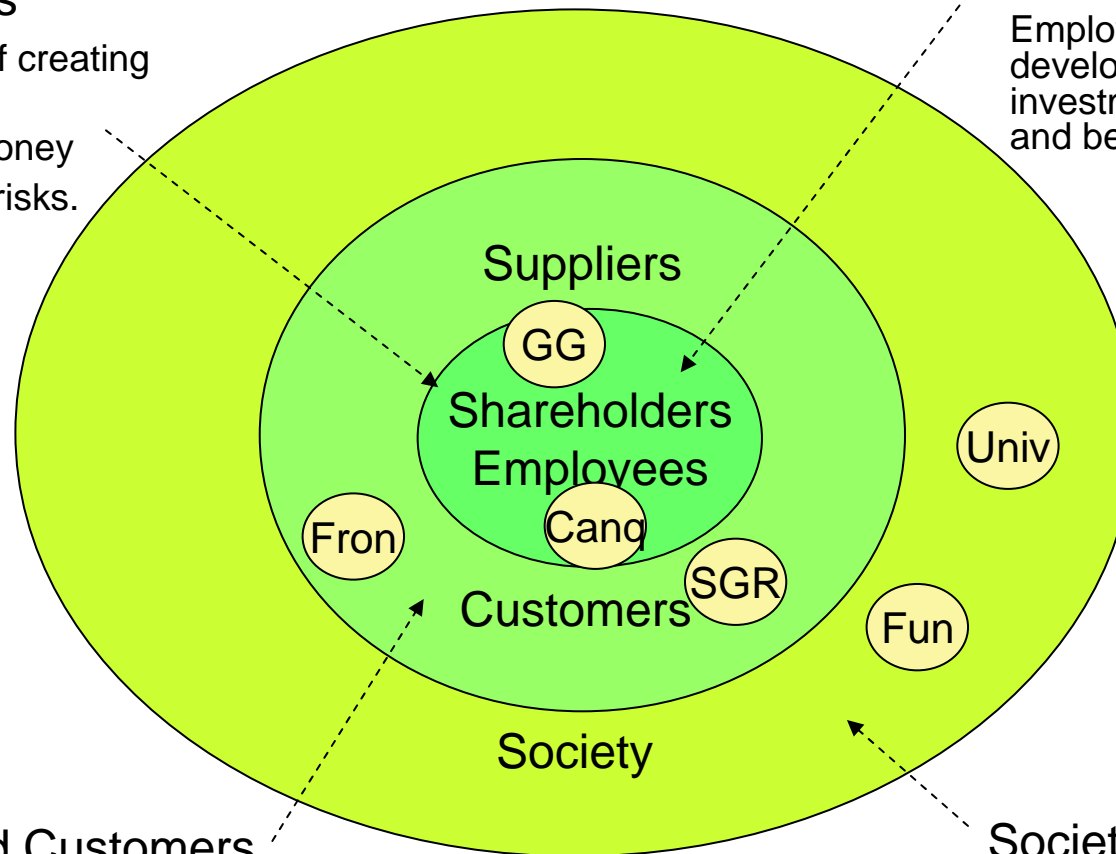
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Shareholders

The challenge of creating value.
If it is only for money there are some risks.

Human Resources

Employability and career development, savings and investment capacity. Feeling and being owners.



Suppliers and Customers

Business development, quality, competitiveness, integrated services, risk management and resources

Society

There are future customers, suppliers, employees and shareholders

Initiatives for different stakeholders



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LOS GROBO SGR.
SOCIEDAD DE GARANTÍA RECÍPROCA

Suppliers
Customers

Fund of 37 million \$
Gave cumulative guarantees for 330 million \$
441 partners



Suppliers
Customers

To improve the quality of small/medium family
owned companies



GROBOGESTION
Desarrollo de talentos

Talents

Human Resources development program

Business
Services

Talents

Intrapreneurs development

CANQUEGA



FUNDACION
EMPRESARIOS
RURALES
LOS GROBO

Society

Closed investment fund for Los Grobo's
employees.

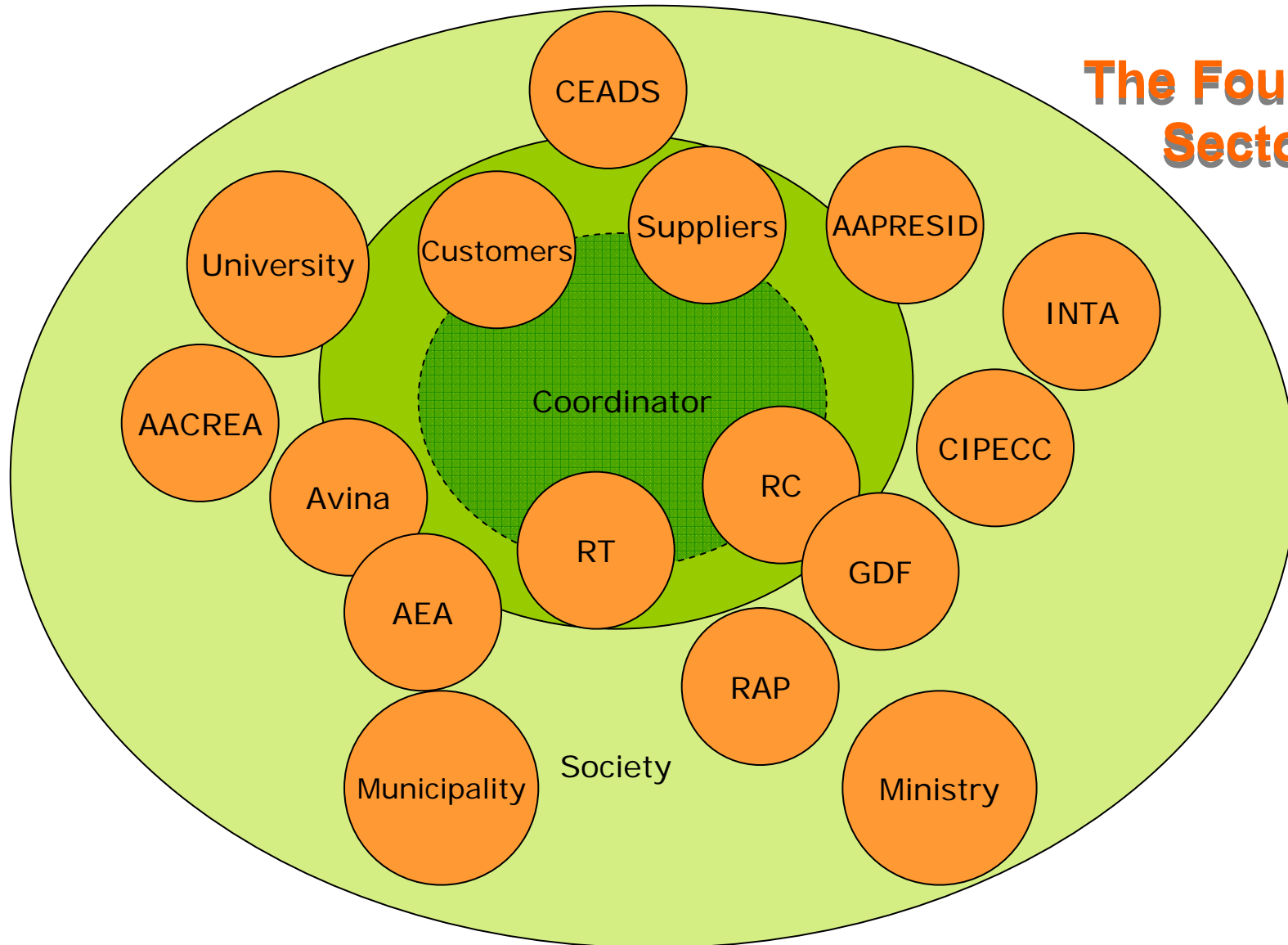
2,3 million \$ in social investment
More than 22.000 beneficiaries

A porous Company

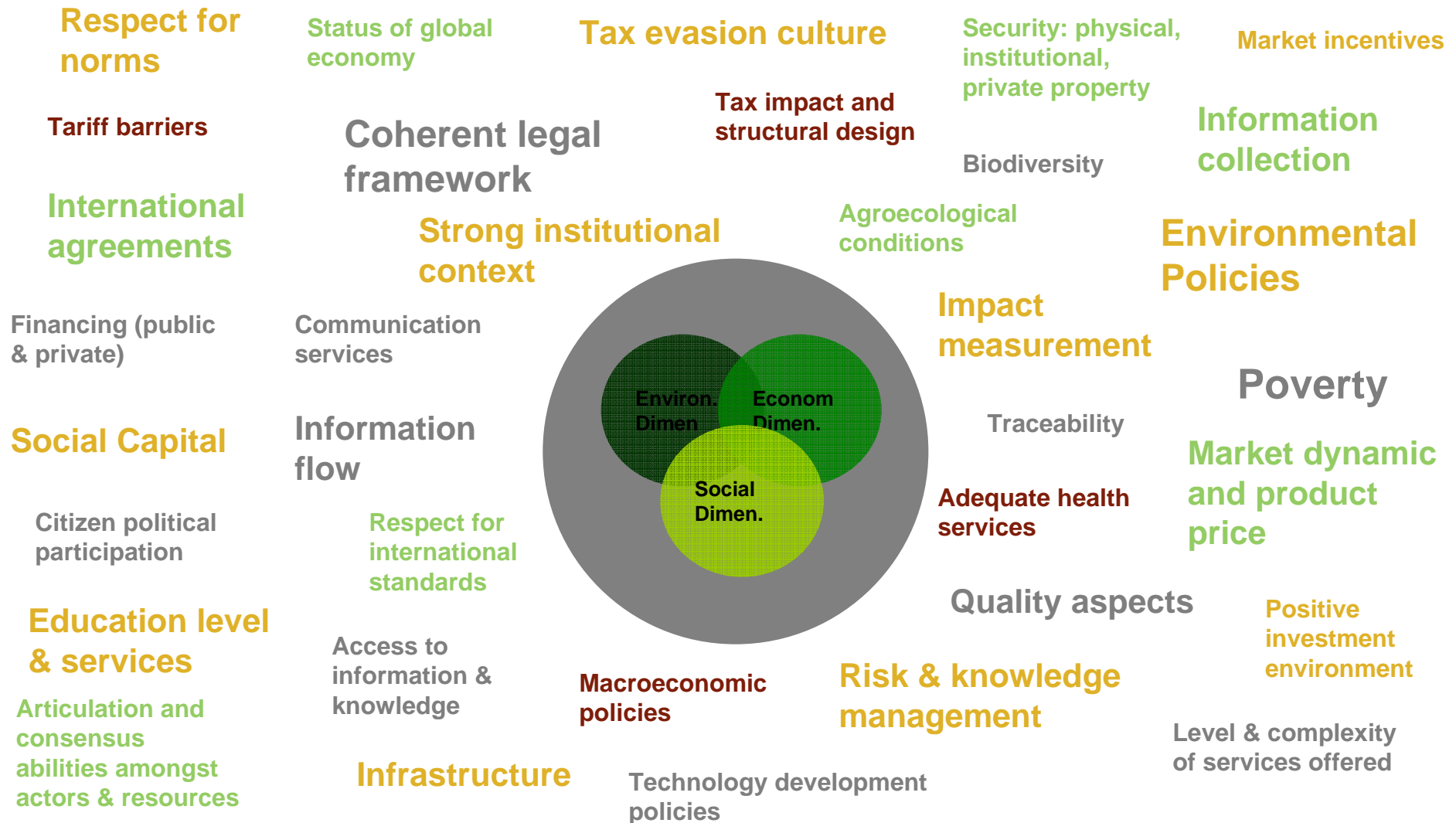


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The Fourth Sector?



Sustainable development is a complex process that must respond to multiple interests



Conditions for a company to operate as a Network



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- Creation of **social capital** (shared vision, common goals, trust).
- **Transparency**. "The best companies maintain their health getting x-rays and sending its results to its clients".
- **Delegation** of authority and empowerment.
- Opportunity for **learning**. The person knows what is expected from them and is rewarded on the basis and their efforts.
- **Outsourcing** must be done to win, to innovate faster, to gain market share and not to save money.
- Working in the framework of **law**.
- The best companies are those which are **collaborative**. Complexity grows and a single company can not dominate the market.
- Risk of **subcultures** must be mitigated through:
 - ✓ **Consensus** among different **stakeholders**
 - ✓ Participation in **collective processes**
 - ✓ Creation of common **rules, policy** of behavior, **codes** of ethics, conflict resolution manual



Model of Managerial Skills



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LEADING VISION

- Ability to influence and assemble people
- Strategic Vision

LEADING CHANGES

- Managing cultural change
- Ability to make decisions in uncertainty and ambiguity
- Execution
- Unlearning and capitalizing on opportunities

LEADING THE ORGANIZATION

- Glocal citizenship
- Personal involvement in collective decisions
- Development of synergy and networking

LEADING HUMAN CAPITAL

- Human resources development
- Performance Management

A New Leadership

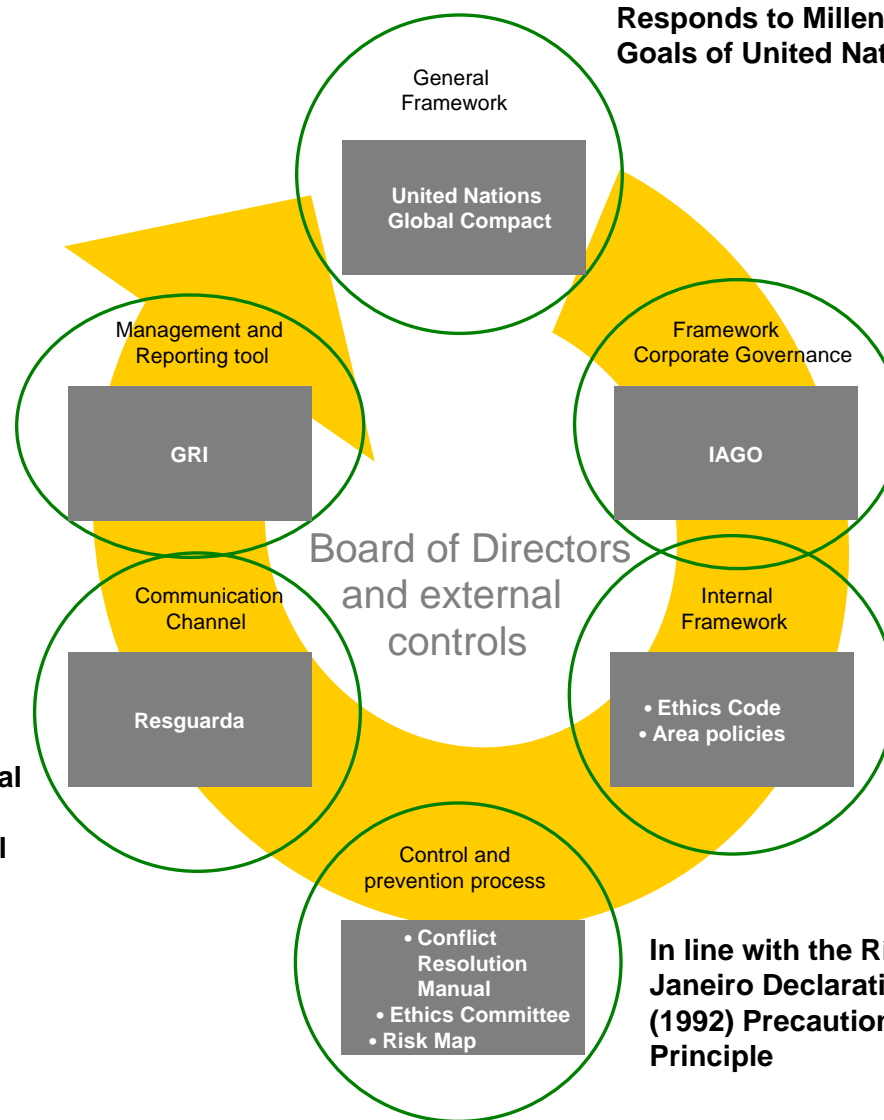
Framework for Good Governance



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Framework based on a triple bottom line approach, produced to compliment financial reports

Transparent, confidential and outsourced claim management open to all stakeholders



Responds to Millenium Goals of United Nations

Has to do with international frauds (ENRON) and guarantees transparency in the decisions of the Board of Directors

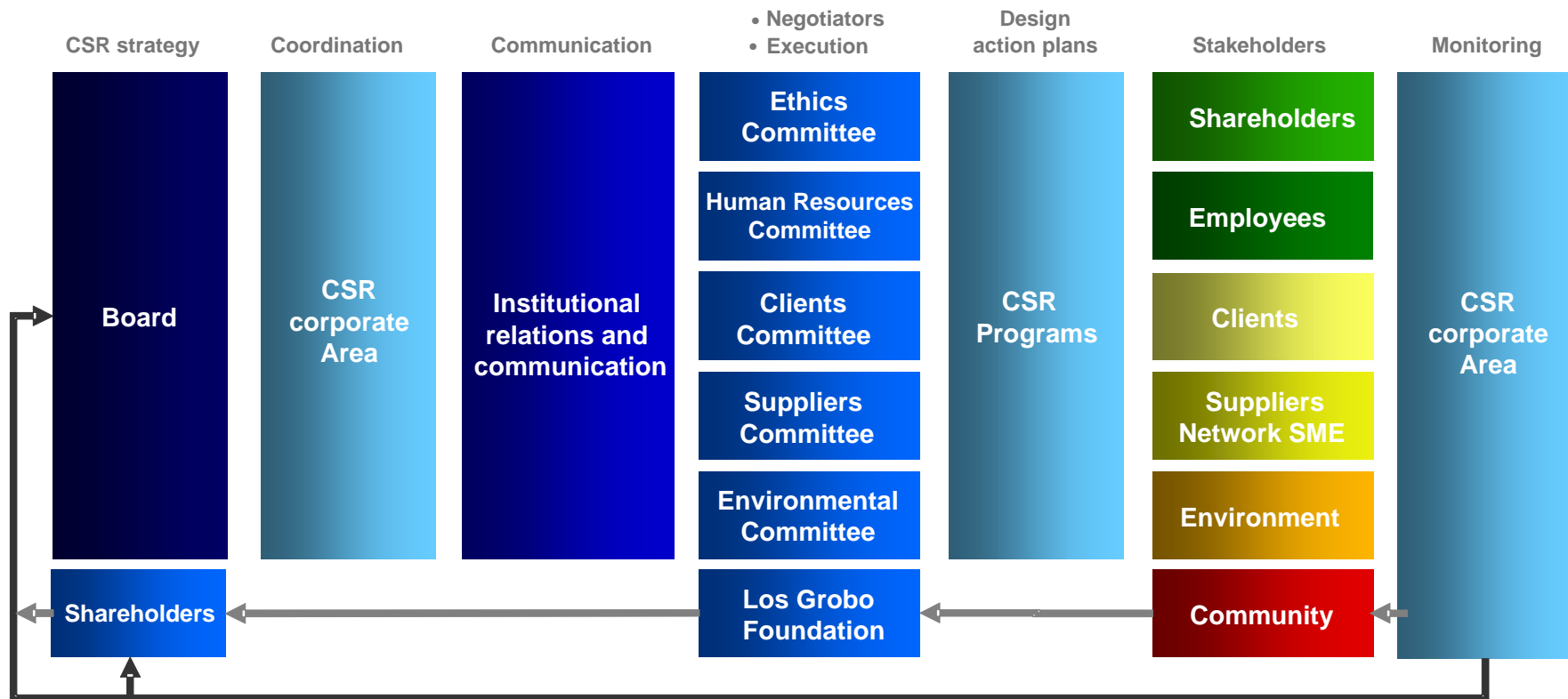
Prevents risks within the organization under an international framework

In line with the Río de Janeiro Declaration (1992) Precautionary Principle

Relations with all stakeholders are articulated through multidisciplinary teams



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Spaces of participation and coordination for the improvement in environmental performance



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RTRS

1. **Round Table on Responsible Soy**
Protocol impact analysis

2. **INTA and Agroecoindex**
Improvement opportunities & local application

3. **Certified Agriculture**
(AAPRESID)

4. **Observatory on social and environmental impact of agribusiness**
(AVINA)



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Measuring the environmental impact is essential to objectively assess the impact of agricultural practices

We monitor the impact of agriculture on the environment. The data are taken from the "Sistema Campos" and enter into a program called "Agroecoindex", which calculates the impact on 17 indicators. This provides complete traceability.

Actividad 9	Has cubiertas	Labores	Superf.
Trigo	Siembra	Cosecha	
Potrero	2710	2710	2710
9	Grano	Aplicación de Fertilizantes y	8130
Dens. Siembra	138	ulverizaciones aere	534
Rinde	2996	Disco simple	507
		Rolo	507
		ansporte Corto (3k	2710
Fertilizantes	Has	Kg/ha	
Fosfato di-amónico	1355	70	
osfato mono-amóni	1355	70	
SOLUAN	2609	130	
Sulfato de amonio	462	25	
Pesticidas	Has	Dosis	
2,4 D éster	3790	0.3	
Roundup	2103	2	
Sulfosato	2662	1.6	
Banvel	2447	0.12	
Iloxan	898	2	
Misil I	794	2	
Tordon 24 K	720	0.14	
Cipermetrina 25	304	0.14	
Rogor	262	0.05	
		Tipo de Labranza	
		Siembra Directa	
		Suplementos	

RESULTADOS				Ayuda
Volver al inicio		Teléfono 02395-459022		
Establecimiento Los Grobo Agrop		Prod. Predominante AGRICOLA		Localidad CONSOLIDADO
Propietario LGA		Período Evaluado 2007-2008		Provincia Buenos Aires
Año de evaluación 2008				Ecorregión Pampa Ondulada - Buenos Aires
Indicador 0	102.475	%		Porcentaje de cultivos anuales
Indicador 1	11148.515	Mj/ha/año		Consumo de energía fósil
Indicador 2	55793.809	Mj/ha/año		Producción de energía
Indicador 3	0.200	Mj EF/Mj prod.		Eficiencia de uso de la energía fósil
Indicador 4	-6.742	kg/ha/año		Balance de Nitrógeno
Indicador 5	-9.189	kg/ha/año		Balance de Fósforo
Indicador 6	-0.001	ton/ha/año		Cambio del stock de carbono
Indicador 7	0.000	mg/l		Riesgo de contaminación por N
Indicador 8	0.000	mg/l		Riesgo de contaminación por P
Indicador 9	14.145	Índice relativo		Riesgo de contaminación por plaguicidas
Indicador 10	6.237	ton/ha/año		Riesgo de erosión hídrica y eólica
Indicador 11	5.300	ton/ha/año		Balance de gases invernadero
Indicador 12	442.691	mm/año		Consumo de agua
Indicador 13	44.269	%		Eficiencia de uso del agua
Indicador 14	179.231	l/Mj		Relación lluvia-energía producida
Indicador 15	0.038	Índice relativo		Riesgo de intervención de hábitat
Indicador 16	1.415	Índice Relativo		Impacto sobre el hábitat
Indicador 17	2.658	Índice Relativo		Agro-diversidad

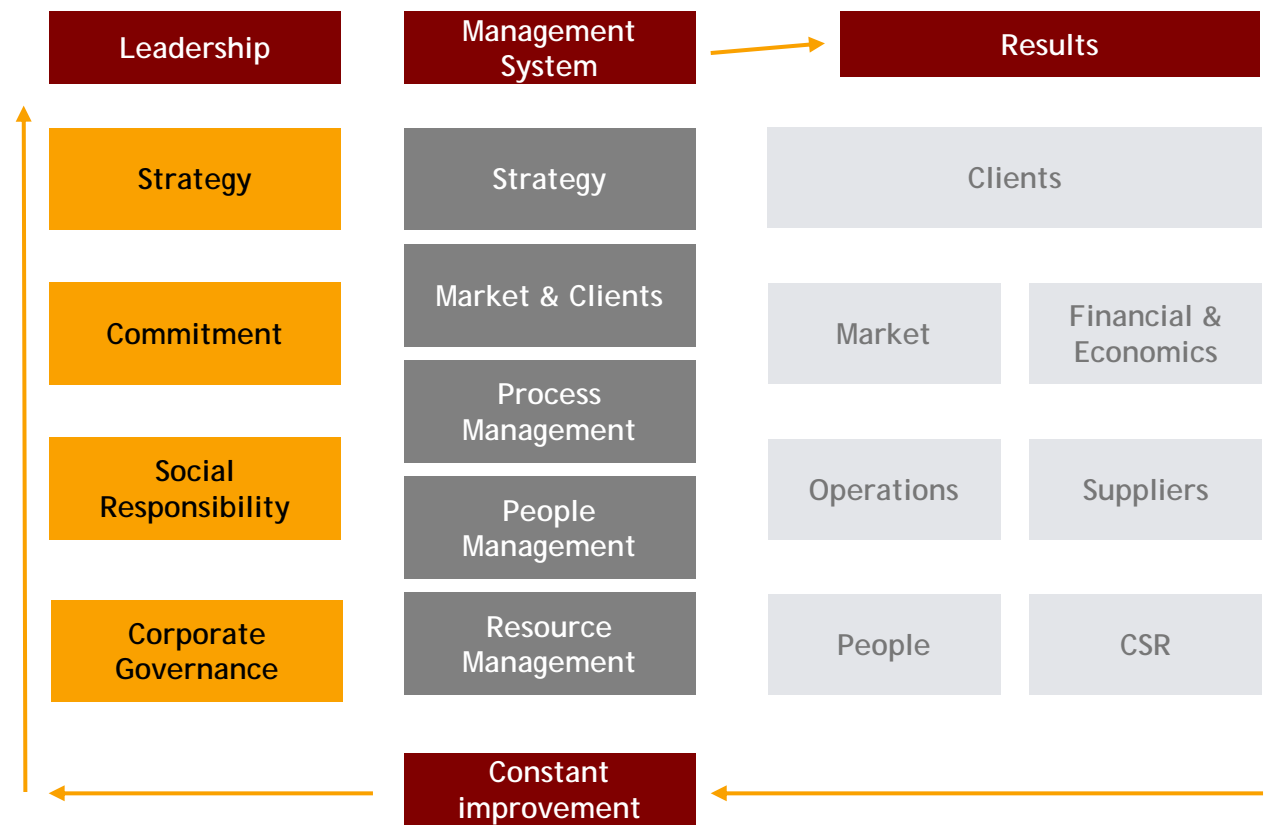




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Quality

A management business model for excellence





Topics



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FUNDACION
EMPREDIMIENTOS
RURALES
LOS GROBO

PROMOTION OF LOCAL DEVELOPMENT / Potenciar Comunidades Rurales
(Strengthening Rural Communities)

EDUCATION / Escuela de Emprendedores y Escuelas del Bicentenario
(School of Entrepreneurs and Bicentennial Schools)

CORPORATE VOLUNTEERING / CampoSocial

SUSTAINABLE DEVELOPMENT / Annual Meeting

HEALTHY EATING / Nutrió

Opportunities and Capabilities



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Context

Revitalization of rural areas

Community Project Financing
Local Development Vision



FUNDACION
EMPRESARIOS
RURALES
LOS GROBO

Local culture and identity

Civic engagement

Local

Organizations

Strengthening innovative
organizational models

Networks of local institutions working
towards common goals

People

Development of skills and
opportunities:

Community leaders / local entrepreneurs

Strengthening education and entrepreneurship

Accountability which are the most used reporting tools?



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Reports

Global Reporting Initiative (GRI)

- Most known international reporting model
- Equilibrated economic, environmental & social indicators

National Quality Prize (PNC)

- National model for (auto) evaluation of management system
- Focuses on leadership system, management system, and company indicators and results.

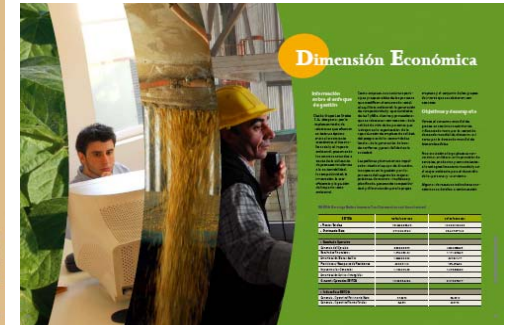
Community Intervention Report

- Lead by the Foundation
- Reflects programs, actions and impacts on community.

Environmental Sustainability Report

External Audits

Communication Tools



New Concept of Sustainability



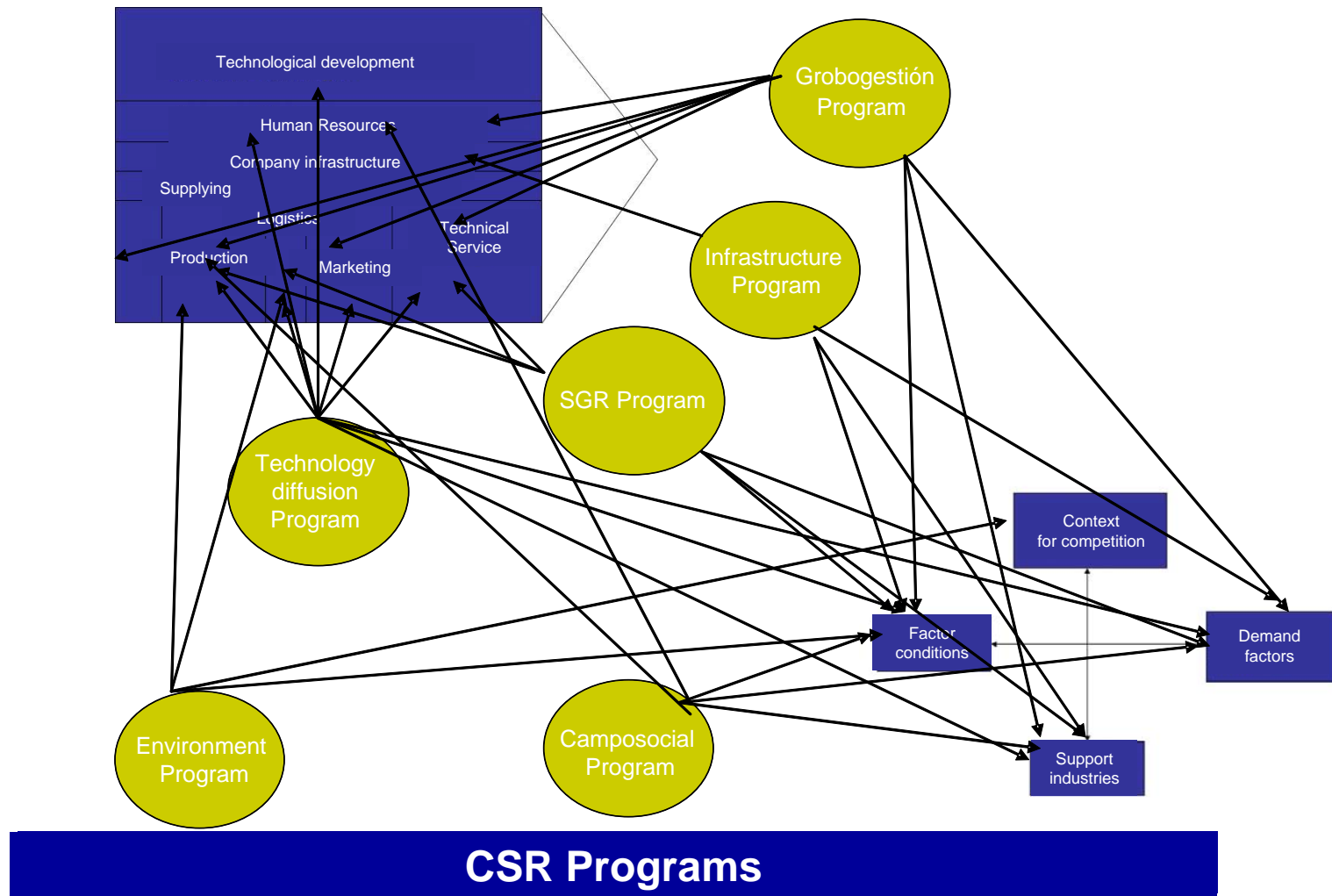
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CSR	Existing Models	New Framework
Theoretical Model	1. There are few coherent theoretical frameworks, few clear criteria related to social responsibility in a global way (many diverse definitions and theories).	1. A new coherent model and a clear definition of corporate social responsibility.
Vision	2. The vision of CSR as antagonistic: CSR basically generates costs for the company.	2. The vision of CSR as interdependent, synergistic and symbiotic of company business strategy that reinforces the economic aspects of the firm. It is not mentioned in terms of cost.
Conception	<p>3. CSR is usually understood in isolation and not coordinated with the strategy of the company nor integrated with other business areas.</p> <p>4. The initiatives are evaluated in terms of dollars spent, in people attending training but almost never in terms of impact. No indicators on social impact of programs and social responsibility activities.</p>	<p>3. CSR emerges from the analysis of company strategy. Porter's strategic framework developed.</p> <p>4. CSR initiatives are evaluated in terms of capabilities, beyond the dollars spent or the beneficiaries. Allows to overcome the economic concept or theory of profits.</p>

Strategic Analysis Framework for Los Grobo



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Programs that impact not only in the value chain but also in the competitive context

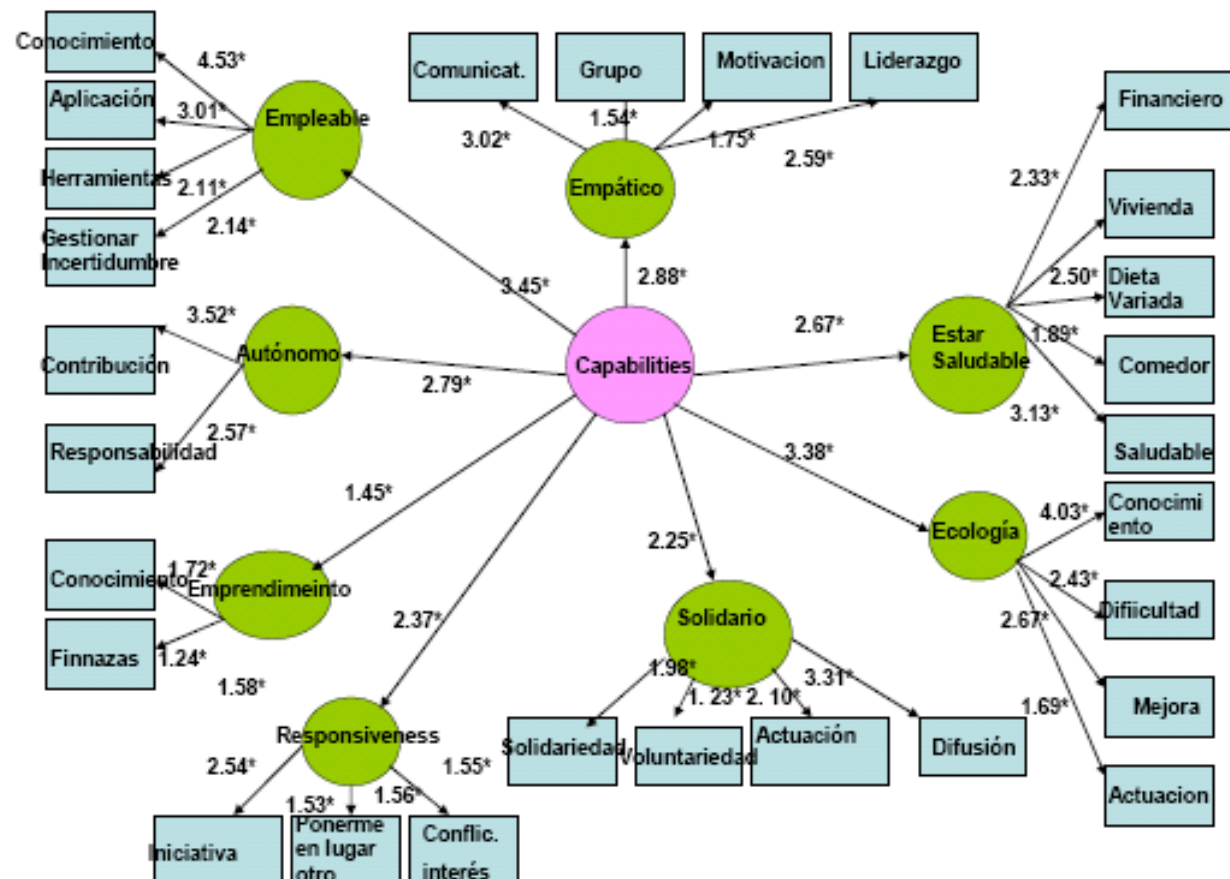
A model to quantify the capabilities generated



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CAPABILITY MODEL applied to GRUPO LOS GROBO

$$\mathcal{G}(X_i) = \{bi/bi = fi(c(Xi) / Z_i, Z_e, Z_s) \forall fi \in F_i \text{ and } \forall x_i \in X_i\}$$



Some conclusions related to capability model applied to Los Grobo



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SEN GENERATION CAPABILITIES

Major Impacts in **EMPLOYEES**

in areas related to the company (business skills)

Employability – score 3.45

capacity derived from the type of technical knowledge, analysis and criteria acquired which is highly valued by employees

Autonomy – score 2.79

understood as the ability to achieve CSR goals for Human Development and to be seen as agents of change in their lives having an impact not only in the company but also in other areas of personal life

Other capabilities

- ECOLOGIC – score 3.39
- RESPONSIVENESS – score 2.37
- ENTREPRENEUR – score 1.45



Some conclusions related to capability model applied to Los Grobo



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SEN GENERATION CAPABILITIES

Major Impacts in **OTHER STAKEHOLDERS**

in areas related to the business of these stakeholders

Entrepreneur – score 2.98

capacity derived from the type of technical knowledge, analysis and criteria acquired which is highly valued by stakeholders

Autonomy – score 2.78

understood as the ability to achieve CSR goals for Human Development and to be seen as agents of change in their lives

Other capabilities

- INTEGRATIVE CAPABILITY – score 2.77
- ECOLOGIC – score 2.23
- SOLIDARITY – score 2.13
- Be NETWORK – score 1.57





Sustainability Challenges



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- CSR in the strategic core business
- A society with more "porous" companies that generate enthusiasm and well-being, employability and autonomy in people
- A public sector open to interact with these companies. Public policies are the result of these relationships.



Thank you

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Together We Add Value

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