



# Ethical tracking?

**Format** 2-hour workshop at Kizy Tracking

**Location** Neuchâtel, Technology and Industrial Park “Neode”

**Output**

- Mapping of purposes of the startup and a corresponding set of values for each of them
- Mapping of negatively impacted stakeholders and the relevant ethical key challenges
- Preliminary list of the startup’s core values

**Follow-up**

- Detailed mapping and aligned communication with the values of the startup
- Proposal for a charter for collaborators
- Anticipation of specific ethical challenges and suitable communication strategies
- Values document for current and future investors

“This workshop clarified the ethical issues that my team must ask itself. Easy to access and immediately useful.”

Alexandre Luyet, co-founder of the startup Kizy Tracking and initiator of the workshop.

The world of logistics is being hit head-on by major technological developments. The Swiss startup “Kizy Tracking” is committed to contributing to this emerging new world. Ethical challenges arising from new technologies are numerous.

The meeting is scheduled in an office in Neuchâtel, within the Technology and Industrial Park “Neode”. Kizy’s ambitions contrast the tranquility of the place. The founders of the startup aim at revolutionizing global logistics by offering a new solution for the tracking of goods. The principle is simple: each commodity can be equipped with a tracker as large as a pack of cigarettes, allowing real-time monitoring of its journey. This real-time tracking enables the creation of a wealth of new information on the flow of goods without having to rely on any of the currently dominating transportation companies. Control over this newly created information would profoundly shift certain dynamics of the logistics world.

**Alexandre Luyet**, one of the co-founders of Kizy, organized a workshop with ethix: Lab for Innovation Ethics to discuss the ethical challenges of disruption. For this is precisely the subject we are dealing with: a radical innovation with far-reaching repercussions, capable of profoundly changing an economic sector. A sometimes dizzying sequence linking technological innovation and commercial, legal, political, and social innovations.

This ambition of disruption entails several ethical risks for a company: internal and external communication, employee motivation, and dialogue with investors. To counter these risks, it is essential for the company to align itself with its core values and develop a corresponding code of conduct and communication. Without such a strong backbone, the startup is driven by the wind at the mercy of the slightest blows in terms of team management, recruitment, or communication.

# A fundamental question: the ultimate purpose of innovation

Our 2-hour workshop opens with a fundamental question: What purpose is the company pursuing? Revolution, disruption, and fundamental changes are all about describing a particular method, a desire, but not about expressing more general goals. According to Alexandre Luyet, the startup wants to have a “positive impact”. But how can we define such an impact?

As a result of the discussion, four options to determine this purpose emerged:

## “Re-shuffle the cards”

The startup wants to improve a system of logistics currently perceived as opaque and unfair. It aims at empowering customers and smaller companies.

## “Revolution”

The startup wants to contribute to the 4th industrial revolution by enabling global logistics players to take full advantage of the opportunities offered by digital technologies.

## “Improved resources utilization”

The startup strives for a positive impact on the use of natural resources by optimizing transportation processes.

## “Serving customers”

The startup provides a technological solution for all actors in the global logistics chain. Namely, their operations are optimized.

Each of these responses draws on a different set of values that need to be elaborated further to ensure that the startup’s decisions are consistent.

# The need for an ethics of transition

Many ethical challenges arise during the transition between the present situation and the “final”, disrupted situation: How does one cope with people, companies, and communities that are negatively affected by such a transition? How should we respond to those who are more or less direct “victims” of a desire for disruption?

The workshop enables us to create a first mapping of negatively impacted stakeholders:

1. Those working in precarious manual positions within the global logistics chain (more or less precarious jobs in global logistics)
2. Port cities and transport hubs (critical locations in global logistics)
3. Companies currently in a dominant position in the organisation of logistics (e.g. transport operators)

Every one of those stakeholders will be adversely affected by the innovation proposed by the Neuchâtel-based startup. The mapping clarifies the possible ethical risks that may affect, or concern, the startup. Should it be prepared to answer tough questions about the fate of these “economic losers”? If so, how can it position itself and maintain a coherent overall strategy? Not all “economic losers” identified in this list are to be classified in the same category. For example, a distinction needs to be drawn between people/companies that have benefited for a long time from the current system (position of strength) and people/companies who have simply been working within the present structure.

# Ethical anticipation

In general, preparation for these ethical risks is essential to facilitate the development of the startup. Ethical consistency has a major impact on the motivation of the team. Collaborators work more effectively if they know the purpose for which they are employed and share the same objectives and methods. This is particularly true when the startup is active across several countries, employing people with diverse profiles and different backgrounds. Values are the very place where the identity of the startup must be developed.

This integrity is essential for recruiting new employees. The HR manager must be able to explain the “Why” and “How” of the startup in order to engage in a substantive discussion with candidates. Younger generations are looking for companies that can offer them meaningful work in line with certain values. Under these circumstances, they are willing to commit to a project.

Finally, this anticipatory work is essential for the startup’s communication. For the internal communication with employees and investors, in order to ensure trust. Investors attach particular importance to the coherence of the team and the project, which is a precondition for the startup’s economic success. And for the external communication, providing resources to prepare for “shitstorms” targeting possible inconsistencies in the startup, its negative impacts, or its potentially critical business activities.

## Output

After two hours of workshop, we developed:

- A mapping of purposes of the startup and a corresponding set of values for each of them
- A mapping of the negatively impacted stakeholders and the relevant ethical key challenges
- A preliminary list of the startup’s core values

A further workshop may include follow-up actions listed below:

- Detailed mapping and aligned communication with the values of the startup
- Proposal for a charter for collaborators
- Anticipation of specific ethical challenges and suitable communication strategies
- Values document for current and future investors

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