

Corporate Social Responsibility (CSR) for business

Corporate Social Responsibility (CSR) is a term that relates to the way a company will assess and take responsibility for its impact on social and environmental wellbeing. CSR is usually the term used when efforts are made with ethical reason in corporate citizenship which goes beyond the requirements of regulators or environmental protection groups.

An example of CSR is when short term costs are incurred to better social or environmental wellbeing without there being an immediate financial benefit to the business, this may be by taking steps to reduce the organisation carbon footprint, holding a Macmillan Coffee Morning, only using fair-trade ingredients, etcetera.

However, before deciding to create a CSR strategy a business must understand its own incentive to carry out the task and its own legal structure. It is important to be truthful and transparent to help prove the validity of actions within your business for regulators and to build trust in the community.

Creating a CSR strategy

- Profitability for the business is often an incentive to create a CSR strategy, the strategy should be developed in a way that helps to save or make money for your business.
- Choose a social purpose to support that is on par with your own business goals, perhaps by doing a survey of relevant issues for concern and caution. An example is by investing in/holding virtualised meetings which are generally face to face, ergo reducing the carbon footprint of doing business.
- Understand the stakeholders, who cares and how much? This will help to choose the sources of input in strategy development. Therefore, you need to also understand market trends. With economic recovery or social crisis the CSR can become a greater impact.
- Using both the research about who will give what and for what cause, choose the most relevant social cause that will gain the most support. Then choose a beneficial segment of this issue to focus the CSR.
- Ensure the focus point is one that stakeholders find personally relevant. It may be that an obscured focus goes to a wide issue such as protecting the environment, perhaps closest to the peoples own heart is protecting a local wildlife preservation from being turned to a building site for new housing.
- Use the organisation properly, gain approval from the Managing Director and ensure the CSR is created to a cost that meets allocated budget. When meeting the need of others, it will only be viable if enough is left in the pot to meet the functions of the business. It is important to ensure the business does not inadvertently harm its own reputation in an attempt to help the environment or social need of others e.g. campaigning for a rise in use of recycled material if you shy away from more expensive recycled options yourself would paint a poor picture. Also consider legal implication by remembering to follow statutory law and any business licence specifications.

Benefits of CSR

- Your business will appeal to those socially conscious in the community and within your own workforce.
- Engaging your team and service users in decisions about CSR will make them feel as though they have a voice and opinions are valued. Therefore, staff retention may increase.
- The effort behind CSR can bring together people of all ages and backgrounds and help to form community cohesion and even tackle loneliness. Through engagement and collaboration, the CSR will help the business to be more innovative.

- When trust is built through transparency and inclusion, a business with CSR initiatives will be at less risk during economic downturns. This is because the stakeholders see the business as having shared values and instils loyalty.
- Some stakeholders wish to give back to good causes without taking time going around all the charitable groups to make single donations. If your business adopts practical CSR by having profits donated to a single cause with a customer choice of beneficiary, this can be a win-win approach.
- Implementation of CSR will change the opinion about a business. Any alienation such as a 'them' can be turned to an 'us'. When a business appears to listen and understand the opinions of stakeholders there is collective loyalty.

Collaboration

Collaboration between business and small organisations rarely happens. CSR is about finding solutions that benefit society, the joined approach of interested parties will allow share of ideas and learning to better practice. When other sectors are considered the approach is not materially important and scale can be reached that opens the door to making the required improvements.

Not all organisations and business have the support or infrastructure to seek out the collaborative approaches in philanthropy. Help is available from Voluntary Action Rotherham to make those introductions and allow you to better the Corporate Social Responsibility (CSR) for your business.

Guidance is also available in regard to legal aspects to CSR on the Gov.UK website.

Useful contact information:

Voluntary Action Rotherham: The Spectrum

Coke Hill

Rotherham S60 2HX

Email: triage@varotherham.org.uk

Telephone: 01709 829821

Website: <http://www.varotherham.org.uk/>

Gov.UK:

Department for Business, Innovation and Skills:

1 Victoria Street

London SW1H 0ET

Tel: 020 7215 5000

Website: <https://www.gov.uk>

