



Social Responsibility
Driving Forward Successful Business

Value driven organisations
ensure sustainable profitability.



Proud to recognise and endorse the **CSR-Accreditation** scheme delivered by CSR-A

Social Responsibility - **Driving Forward** Successful Business

Social responsibility is a broad concept that can take many forms depending on the organisation and sector. Through CSR programs, philanthropy, and volunteer efforts, organisations can benefit the communities in which they exist. These CSR activities can help forge a stronger society while boosting participating brands. CSR is also vitally important for the relationship between employee and employer. Good policy will boost morale, positively effect recruitment and retention and will help all concerned feel more connected with each other and the world around them. We examine the positive impact that effective social responsibility policy will have on building a sustainable and successful business and some of the key benefits that will help business achieve positive results.

Investing in financial and social value is a 'win win' for business and society

A structured CSR programme is the practical action plan developed from an organisation's set of meanings, beliefs and values, namely its culture. This CSR programme defines an organisation's ethical responsibility for its operational impact on society. When integrated, the culture and operations form a CSR policy, underpinned by the notion of business sustainability. Effective CSR policy is a powerful tool that gives meaning to people's lives, reduces uncertainty and creates stability. It is can also be the determinant factor of success or failure for a business.

There is increasing recognition that a structured CSR programme can be used as source of competitive advantage through good corporate governance, effective execution of social projects and ethical management. In order to maximise this potential, it is essential for organisations to smartly communicate their CSR efforts. The actions that make you a caring company and different from your competitors, ensure that consumers view you as driven by intrinsic (genuine) rather than extrinsic (profit led) motivations.

There is no doubt about the impact of CSR on profitability for an organisation. The financial value of CSR can be seen across all the CSR-A Four Pillars of Workplace, Environment, Community and Philanthropy. A social responsibility policy will help senior management set goals, make better decisions and improve your internal and external relationships.

A successful CSR programme will improve many business functions. It will attract quality employees, improve turnover, retain

a great team, improve customer relationships and increase sales and profits. By caring about your workforce, the environment, the community and supporting charities, a business will dramatically improve its reputation, its brand visibility, stakeholder loyalty and enjoy long term sustainability.

CSR is about the future, discovering your sustainable potential and achieving it.

CSR is about delivering social value and investment in something much bigger than your organisation. Community involvement can help to give clarity about what you want to get out of business and from your life. CSR policy becomes a road map for delivering greater purpose and value to all stakeholders. The Business Round-table, one of the United States' most powerful business groups has abandoned the shareholder-first idea that has driven capitalism for decades. The Business Round-table has said 'the pursuit of shareholder interests is no longer the central purpose of corporate America'. Companies should focus on social responsibilities as well as profits.

Today it is widely accepted that organisations have a relationship with the communities in which they operate. This relationship should be based on community engagement to promote and contribute to community development. Community involvement - either individually or through associations seeking to enhance the public good - helps to strengthen civil society. An organisation's contribution to community will help to promote higher levels of good mental health and well-being in the community and in the workplace.

A structured CSR programme can be used as source of **competitive advantage** through good corporate governance, effective execution of social projects and ethical management.

A change in mind set - COVID19 - the game changer.

The COVID19 pandemic has actually re-introduced us to a more authentic normal, one in which we have a stronger sense of community and social responsibility. It feels like we lost sight of those values and we now we are beginning to see them again. Since February the world has changed dramatically and the focus on social responsibility has become far more important. We have witnessed some incredible acts of kindness, support for struggling businesses, charities and individuals and positive business practices. This is becoming normal as consumers and stakeholders expect increased social value from the businesses they are engaged with.

Over the past few years, employers have recognised their employees need for both care and purpose. Recent events have made this more important now than ever before. It's likely that when we are free to move and mix freely again, businesses will have both the opportunity and the desire to re-think their approach to well-being and culture. Notably 60% of organisations were reporting an increase in negative mental health conditions before COVID19 and only 1 in 10 organisations have a mental health strategy in place.

Customers want to trust organisations they engage with. Employees want to work for values-driven employers and investors want to know that a company is addressing its ethical responsibility. A recent study of Millennials by American Express found that in the US, 68% want to make a positive difference in the world, and 81% believe that a successful business needs to have a genuine purpose.

By focussing on the values and culture of a business the profits will come. By focusing solely on the profits the values do not necessarily come. In fact focusing hard on profit can actually promote the wrong behaviours and values.

Financial impacts positive or negative - adapt and change.

COVID19 is undoubtedly having negative financial impacts for many businesses, which will continue for the near future. It is therefore more important than ever to focus investment and efforts on the things that will give you most reward in the short and medium term. Most organisations measure the financial situation of their business on a daily, weekly, monthly basis, with financial reviews and reports. What is often left unmeasured is the business situation in terms of impact on the environment, staff and community. If the society around a business is broken, negative impact will be felt. It is incumbent on all business to act in a socially responsible manner and support the communities in which they exist and the individuals they employ.

Leading and lagging indicators.

Measuring the financial situation of a business is a lagging indicator, answering the question, 'how well has the business done financially, in the last year?' Leading indicators give you insight into how your business will fair in the future. The CSR-A Four Pillars provides a structure with which to measure leading indicators that will affect your business.

Consider the following example. Your business is turning over great profit however it has poor staff well-fare issues and a lack of innovative thinking at management level. This coupled with a high number of safety and environmental incidents are causing customer care issues and an increase in sick leave and staff turnover. All indicators except the financial are pointing to a crisis which will inevitably happen. If an organisation makes the effort to measure issues in addition to the financial, through a well-structured CSR programme you will be able to act rather than react and make your business more resilient.

Short and long term decisions

There will be short and long term financial decisions that need to be made. In the short term some of the day to day of the operations will need to continue. Management must be able to continue with essential operations which will include spending in the short term. Management will quickly need to decide what operations should be expanded, curtailed, adapted or stopped completely.

In the long term senior staff will need to review emerging trends, make time to discuss and reflect on the current situation and the potential impacts and opportunities on the business. PESTLE and SWOT analyses are extremely useful tools with which to review the business under new conditions. Staff should be engaged and informed to include and involve them in the process. It is essential for staff relations that your workforce understand the situation, should financial cuts need to be made that impact them.

Review of your business plan

It is very useful to create a crisis plan to run alongside your usual 3 or 5 year plan and use them both. We are currently not experiencing 'business as usual' but don't over react, keep original plans as there may be elements there that are still viable. An alternative is to write two business plans, one worst case and one best case. Actual outcomes almost always fall somewhere between the two.

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Reputation Management - Acts of kindness and Positive Business

Potential clients and customers often favour suppliers who have socially responsible policies, since this can reflect on how, in turn, their customers perceive them. An increasing number of individuals and businesses actually research policies and values before engaging. They don't just prefer to deal with socially responsible companies, they insist on it. An organisation's public image is at the mercy of its ongoing reputation which can be dramatically enhanced by social responsibility programmes. Remember, consumers feel good shopping at institutions that help the community. Clean up your public image and broadcast your actions to the world!

In a recent poll carried out by YouGov for the Mental Health Foundation, it was discovered that more than six in ten of us feel anxious or worried because of COVID19. While it is an undoubtedly worrying time for everyone, it's not all bad news. Many individuals and companies have shown they care with amazing acts of support, charity and caring during the pandemic.

Caring and acts of kindness are not just 'nice things to do'. Positive action and support for communities is emerging as a key business trend. Showing a customer that you care will be something your business is remembered for. The sharing of positive stories on social media is now one of businesses most powerful marketing tools. Doing 'good' things through your business is part of a shift in social awareness which had begun before the pandemic and has gained enormous momentum since Spring 2020. Indicators would now suggest that this 'trend' has become a standard of business culture for organisations that care about their long term sustainability.

Supporting a cause that aligns with your interest and/or expertise can be great for your business and for the community cause that you support. Community involvement creates valuable brand visibility, culminating in revenue streams. Engagement builds trust, loyalty and improves the reputation of your business. According to recent US study 87% of consumers will purchase a product based on a retailer supporting a social or environmental issue that the consumer cares about. Consumers are rewarding socially responsible companies through brand loyalty, making donations to charities that companies support, and purchasing products that provide a social benefit.

We often talk about the tangible benefits of having a social responsibility policy, the ones that have a clear and easily measurable outcome. But what about those intangible benefits? Social responsibility is an emotional investment that has a positive impact on all stakeholders. It makes us feel good because it is about

something good. It is also a way to add value and give greater purpose to our time beyond our job role and title. It is about giving, how can we help our staff, customers and supply chain? What do they expect from us? Are we listening to what people are saying? Do we understand their values and what matters to them?

Stakeholder engagement and staff retention.

Social responsibility policy enables employers to enrich the quality of their employees lives. Employers can develop CSR initiatives that make their employees proud, loyal and happy brand advocates. Use a CSR policy to protect and nurture your biggest asset - your employees. The impact we make by supporting staff, looking after the environment and supporting communities has a positive impact on mental health, well-being, productivity and engagement. The common good is our good.

Employees like working for a company that has a good public image and is in the media for positive reasons. Employees want to feel proud of the organisation they work for. An employee with a positive attitude towards the company is less likely to look for a job elsewhere. Create an inclusive program of CSR activities that staff can engage with and feel proud of. Happy employees almost always equal better output.

Employees now expect their employer to support them in balancing work and personal commitments. Providing the right support and conditions is a necessity. Some businesses are taking this concept a step further, encouraging their people to take on skills-based placements outside the workplace. By giving employees the opportunity to give something back, these employers have found a way to give staff purpose outside of their jobs and it's certainly a worthwhile endeavour. Of these volunteers, 89% reported increased job satisfaction and 87% reported greater pride in their company. Financial benefits will follow naturally from building a highly productive and engaged work force.

Recruitment - become an employer of choice.

Responsible, sustainable businesses attract new employees and retain existing ones. Bucks New University (BNU) has recently indicated that over 70% of students actively look for an organisation's CSR policy before accepting or applying for a job. BNU's careers platform also showed, for the first time, that graduates would rather explore careers in the public or charitable sectors over banking and law. This would suggest a marked change in mindset from those seeking employment for the first time. Put simply this strongly suggests that the emerging workforce is motivated by organisations that deliver social value. To become an employer of choice companies should align their values with those of the new generation. Being a preferred

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employer serves companies well in terms of recruitment and retention of the most motivated people. In addition, engaged employees are likely to stay with an organisation for longer, reducing training and attrition costs.

Investment – building a social stock exchange.

CSR programmes will bring financial benefits in the form of operational cost savings and better financial performance by reducing resource use, waste and emissions. CSR policy will provide easier access to capital. Investors like to back reputable business. Investors want to know that their funds are being used properly. To secure funding organisations must have sound business plans and also CSR policy with proof of effective implementation benchmarking and impact reporting.

According to the London Stock Exchange, Investors now routinely analyse information on CSR performance alongside other financial and strategic information in order to gain a better understanding of a companies future prospects. Of all assets managed for EU investors, 60% incorporate sustainable investment strategies. It is now common place to be scored on your CSR performance, including health and well-being of staff, when tendering for both public and private projects. One out of three local authorities insist on evidenced CSR as part of the tendering process.

Measuring impact - make sure you record and report your CSR successes.

Develop the communication channels to make the most of your CSR efforts and publish an impact report, made available to all audiences. This can take the form of a section in your annual report or a stand-alone document. By taking a strategic approach, organisations can determine what activities they have the resources to devote to being socially responsible.

By including CSR policy as part of an organisation's plan, you will ensure that profits and increasing shareholder value don't overshadow the need to behave ethically to your stakeholders.

Using CSR-A's Four Pillars matrix you will identify CSR activity that can be measured. By recording the benefits and impacts you will be able to start benchmarking results and measure continued development for impact reporting. Monitoring and measurement will vary from activity to activity. Measuring energy performance is quite straight forward as you can record electricity use before and after implementing an energy saving initiative such as installing LED lighting. You may need to use tools like satisfaction surveys to measure staff performance and well-being. Financial data comparisons will clearly show improved efficiency savings.

Use software analytics tools to measure increased brand visibility through your website and on social media platforms. Recording and reporting this data allows you to evidence financial and social value, a true return on investment.

Start your CSR Journey and plan for future success.

In our experience, many organisations are already doing great things. Often they do not realise that all their positive activity contributes to the success of their business, both financially and in terms of reputation. CSR policy instils a strong positive culture within an organisation which helps retain existing staff and customers and attract new customers and investors, all with positive financial impacts.

We have highlighted the benefits to your business of a more socially responsible approach and areas to consider. This can be achieved through your own reviews, audits and planning or a structured CSR consultation programme. Every socially responsible action you make can be recorded and measured using our CSR Four Pillars. Each Pillar is designed to help you audit, benchmark, improve, and impact report on areas such as energy and travel, health and well-being, community engagement and supporting charities. This forms the basis of an ongoing CSR Policy which will help you face and meet the challenges ahead. It is not just an investment in your business but in your staff, helping to enrich the quality of their lives with value and purpose. You will see a significant return on investment through improved reputation, an engaged and productive workforce, becoming an employer of choice, successful investment and tendering and consumer loyalty.

Become a CSR-Accredited company to show the value of social purpose and your commitment to a greater vision for future generations.



Doing Good is Good Business

It is now more important than ever to show that we are doing everything we can to improve the world we live in for future generations, not only by reducing the negative impact we have on the environment, but by building a better and cohesive society. It's amazing what we are already doing that we don't talk about. CSR-A provides the perfect opportunity to tell your positive story.

Driven by the heightened consumer awareness about environmental issues, coupled with tightening government regulations and reduced funds available for community projects, companies are now looking for innovative ways to meet their social responsibilities. It is clear that firms who understand their social responsibilities and explore ways in which CSR can be built into strategy are more likely to reap the rewards of enhanced competitive positions in the future, benefiting not only their shareholders but all stakeholders involved and the society at large.

There is now increasing recognition of the fact that CSR can be used as source of competitive advantage through good corporate governance, effective execution of innovative social projects and ethical management. In order to maximise this potential, it is essential for firms to smartly communicate their CSR efforts to ensure that consumers view them as driven by intrinsic (genuine) rather than extrinsic (profit led) motivations. The importance of integrating CSR into the culture, governance and strategy development initiatives of the company along with its current management and incentive structure is clear. This requires considerable corporate commitment, with senior management leading the implementation of strategic CSR efforts to ensure organisational 'buy-in'.

Why become Accredited?

CSR Accreditation encourages a culture of **sustainable and social purpose with profit**. It has many advantages that can apply to any business, regardless of its size or sector. Positive CSR improves a company's public image and relationship with stakeholder, clients and consumers.

It is all about reputation - a good reputation improves:

- Stakeholder/Client/Consumer loyalty
- End user loyalty
- Staff loyalty

Customers want to trust organisations they engage with. Employees want to work for values-driven employers and investors want to know that a company is addressing its ethical responsibility.

How do I get Accreditation?

Accreditation is a great way to pull together what you are already doing in regard to CSR. This helps you easily report on your sustainability, workplace and community engagement. The Accreditation application process provides a simple and straight forward template against which you can record your organisations activity using our CSR Four Pillars system - environment, workplace, community and philanthropy.

Each CSR Pillar is designed to help you audit and impact report on areas such as energy performance, recycling, staff engagement, health and well-being, community engagement and supporting local and national charities. This audit then becomes an invaluable CSR, CR, ESG policy which you can use to show all your audiences that you are a caring and responsible organisation.

The CSR-A Mark of Excellence

The CSR Accreditation Mark should be displayed on your website, in your reception and throughout your marketing materials, proudly showing that your organisation has been independently recognised for its CSR endeavours.

All successful applications will receive a Gold, Silver or Bronze Accreditation pack. Any applicants that are unsuccessful will receive a gap analysis report on their application and a chance to re-apply within three months.



Perseus **Text Here...** commitment now and **become a CSR Leader.**

Call **01494 444494** to find out more about costs and application or visit www.csr-accreditation.co.uk

Take our free **CSR Accreditation assessment survey** online visit www.csr-accreditation.co.uk/csr-assessment-survey/

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