



CORPORATE SOCIAL RESPONSIBILITY ON SMEs



ERSCP

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CORPORATE SOCIAL RESPONSIBILITY AND SMEs:

European Commission's definition of **CSR**: *"A concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis"*

ISO 26000 Guidance Standard: defines business responsibility as *"accountability for impact of business decisions and activities (products, services, processes) on community and its environment" , with respect to transparent and ethic attitude towards balanced development and wellbeing of society, but also expectations of parties involved.*



HOWEVER...:

- How involved are SMEs on CSR strategies?
- Do they have competences to be socially responsible?
- Which training tools are available for them?
- Is this concept equally developed in all European countries?

This paper tries to give an answer to all these questions.... through the results from **CSI EU Leonardo da Vinci Project**



“CORPORATE SUSTAINABILITY INFORMATION AND TRAINING IN EUROPE” - CSI EU Project:



Leonardo da Vinci Programme: Development of Innovation

Financing: 533 kEUR

Duration: Nov 2010–Oct 2012

Partners: SLOVENIA (UM), SPAIN (Prospektiker & CIRCE), AUSTRIA (Stenum), BULGARIA (SERC), POLAND (Atmoterm), LITHUANIA (APINI), DENMARK (Aalborg univ)

SPECIFIC OBJECTIVES OF THE PROJECT:

- to analyse SR activities in EU counties, in order to determine their actual needs and problems
- to develop a common tool (platform) for working with SR in SMEs based on ISO 26000 guidance to help corporate sector implementing theory in practice and further developing best practices
- to create training materials that will solve the need for clarifications of ISO standard
- to create good practices and dialogue, including knowledge sharing in a European corporate area

Aprox. 50 SMEs
20 Training Instit.



THE SOCIAL RESPONSIBILITY IMPLEMENTED BY SMEs (1):

Although the growing interest in CSR among SMEs... :

- SMEs' **resources, know-how** and their **disposition** to implement CSR processes and initiatives is much lower than in the case of big companies.
- **Short term gain** vs. long term gains.
- **Lack of information and lack of awareness**: many SMEs are **confused** about what CSR really means.
- SME are **less efficient in showing** their CSR activity than big ones; hard to identify.
- SMEs tend to have **unwritten policies**; labour conditions, social security and workplace safety, respect for the local environment and local development.
- Lack of strategic vision: **ad hoc approach** vs. systematic and organized approach.



... THE SOCIAL RESPONSIBILITY IMPLEMENTED BY SMEs (2):

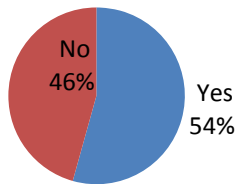
- The significant **stakeholders are not identified** and involved.
- Efforts and results are **not measured and monitored**.
- The **marketing focus** does not work with SMEs as much as with big companies.
- However, changes in consumer and business awareness and following buying decisions **may become decisive** forces for SMEs.
- There are **important differences among SMEs from countries** like Austria and Denmark, where CSR activities carried out by SMEs is more comprehensive than in other countries, like for example, Lithuania, Eslovenia, Poland or Spain.



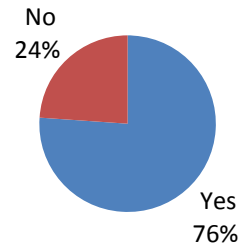
CURRENT PRACTICES FOR INTEGRATING CSR (1):

Does the company have...

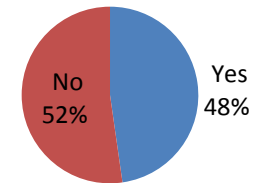
... a Human Resource Development policy?



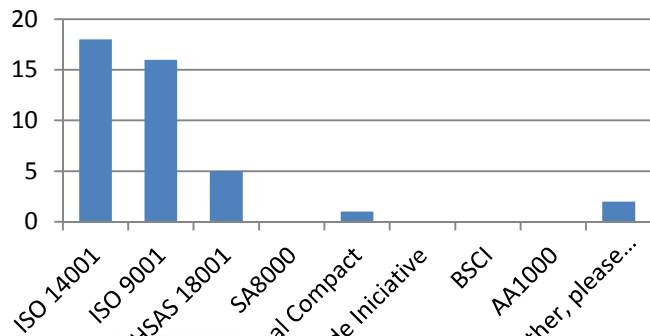
... an Environment Protection policy?



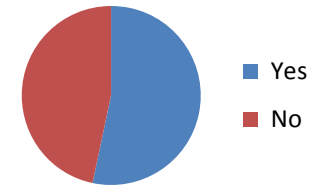
... a Social Responsibility policy?



Is the company certified or working according to any of the following standards?



Is social responsibility a priority area in your company?

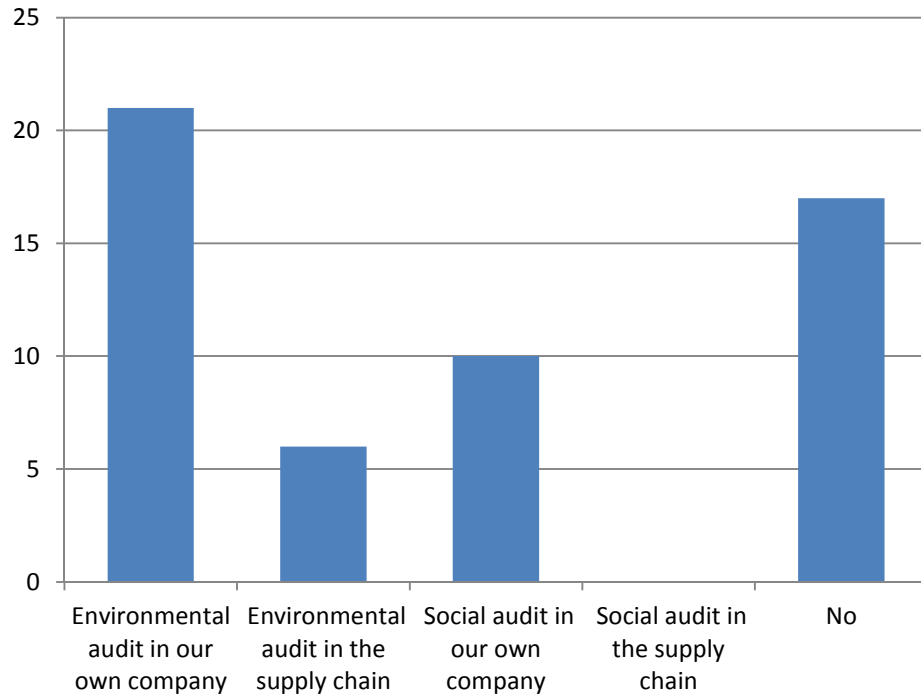


Source: answers obtained from 48 SMEs from partner countries

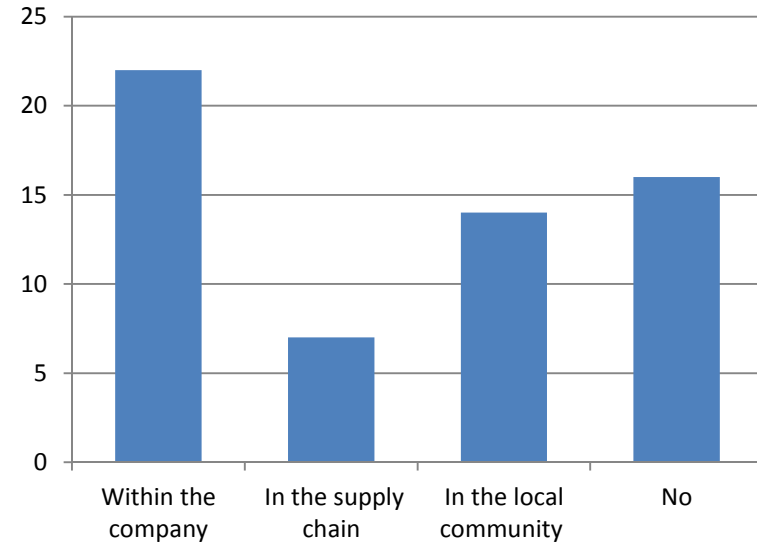


... CURRENT PRACTICES FOR INTEGRATING CSR (2):

Does the company conduct any audits?

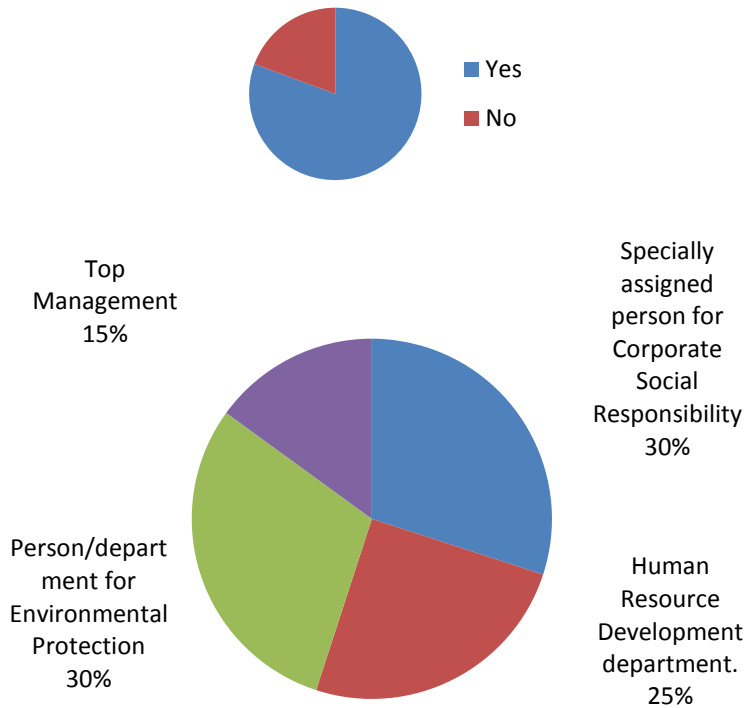


Does the company carry out initiatives for social responsibility?

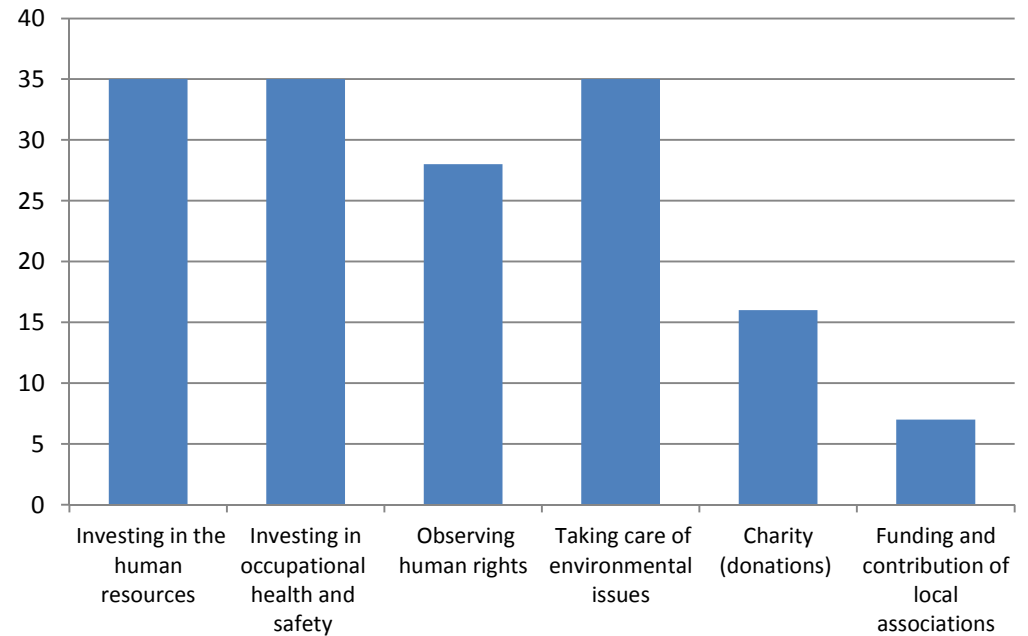


... CURRENT PRACTICES FOR INTEGRATING CSR (3):

Are these initiatives integrated in any management planning? Who is the person in charge for that?

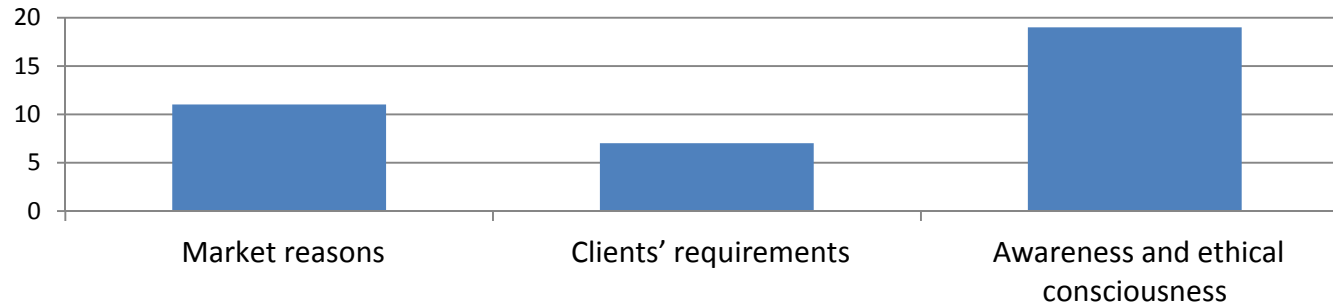


What do you understand by “Social Responsibility”?

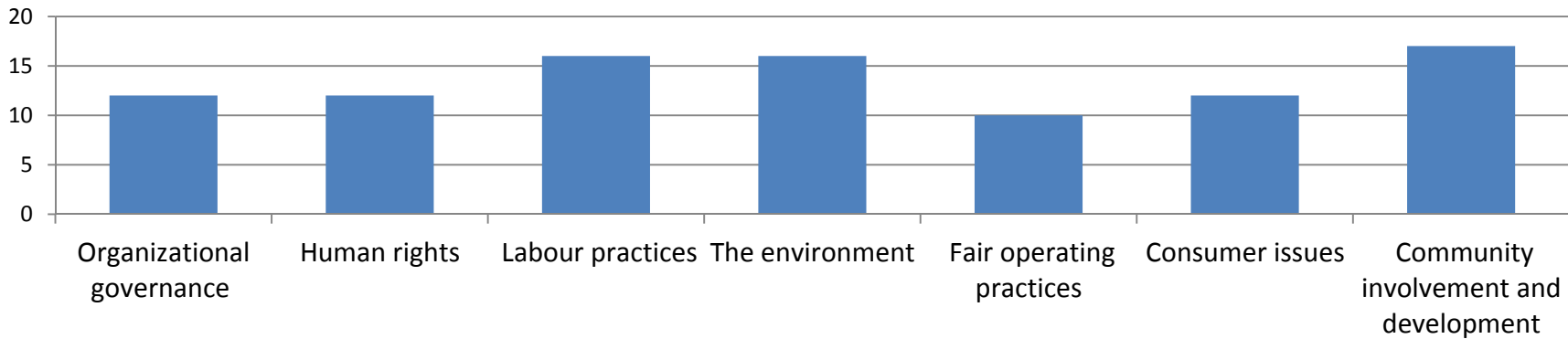


... CURRENT PRACTICES FOR INTEGRATING CSR (4):

Why does the company carry out these social responsibility initiatives?

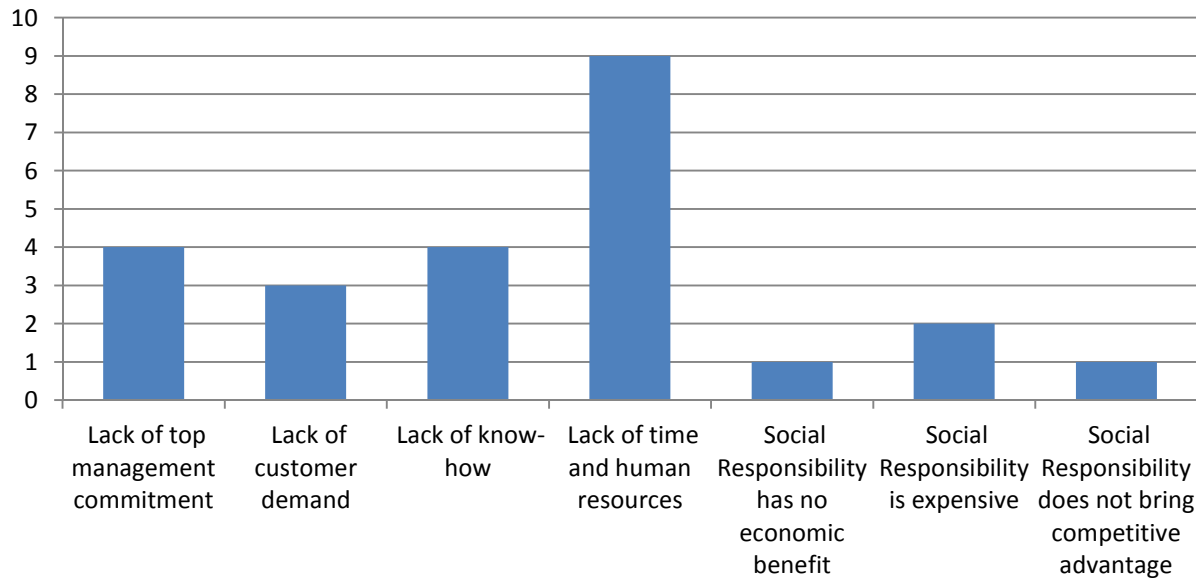


Which areas of social responsibility are these initiatives related to?

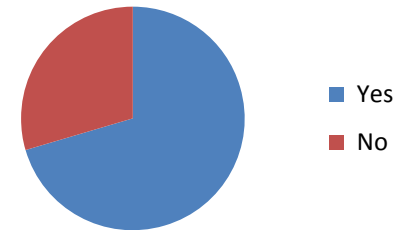


... CURRENT PRACTICES FOR INTEGRATING CSR (5):

If the answer is “NO”, why does the company not carry out social responsibility initiatives?

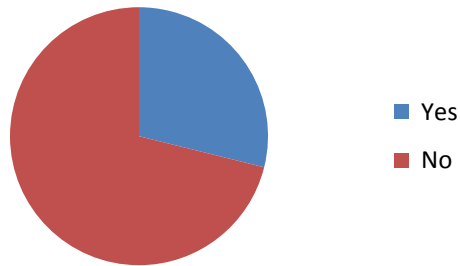


Has the company considered working on social responsibility issues?

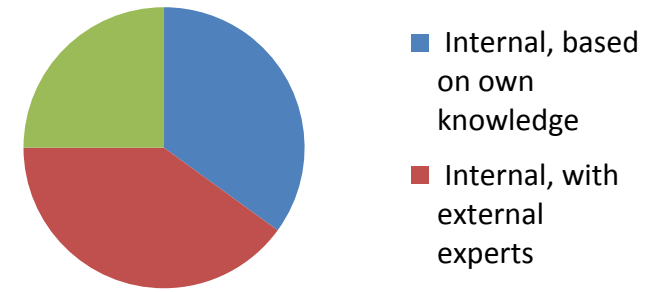


... CURRENT PRACTICES FOR INTEGRATING CSR (6):

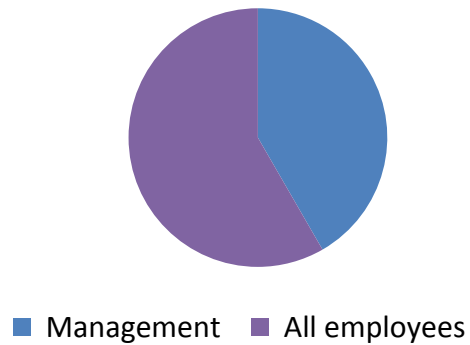
Has the company done any training on social responsibility?



How was the training organized?

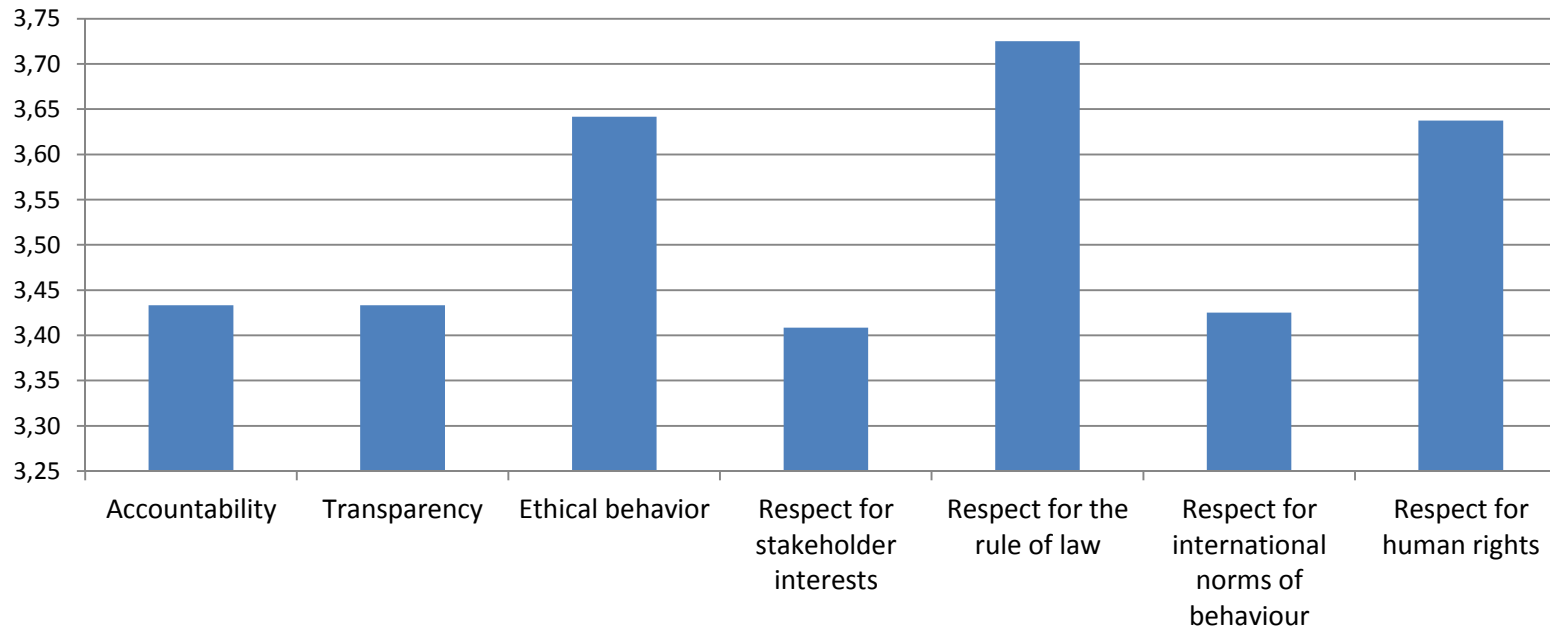


Who was the training aimed at?



... CURRENT PRACTICES FOR INTEGRATING CSR (7):

ISO 26000 principles: How relevant do you judge the following principles for your company?



... CURRENT PRACTICES FOR INTEGRATING CSR (9):**Per Country:**

- CSR policy?

AUSTRIA	BULGARIA	DENMARK	LITHUANIA	SLOVENIA	SPAIN
88%	60%	75%	40%	40%	27%

- CSR as a priority?

AUSTRIA	BULGARIA	DENMARK	LITHUANIA	SLOVENIA	SPAIN
100%	50%	100%	33%	40%	36%

- Have you ever attended a training course on CSR?

AUSTRIA	BULGARIA	DENMARK	LITHUANIA	SLOVENIA	SPAIN
77%	30%	50%	10%	25%	9%

(% of SMEs that answered with a positive answer)

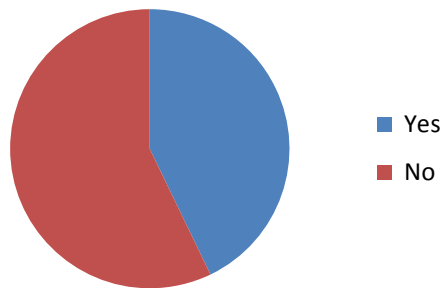


NEEDS OF COMPETENCES ON CSR (1):

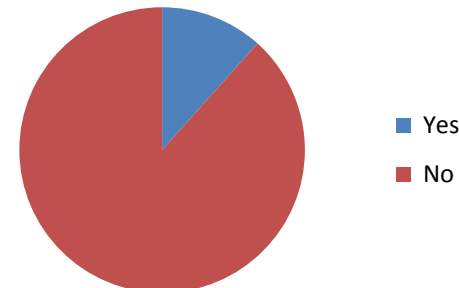
Current SMEs' competences on CSR:

- SMEs do not count on specific knowledge and skills to integrate CSR in their activities. Few companies use any training materials or tools for CSR implementation.
- Lack of information on SME's training needs concerning.
- Not all employees are involved in these trainings, in very limited cases.
- Almost all SMEs in the sample that had conducted a CSR training would recommend this also to other companies.

Does the company count on knowledge and skills to integrate social responsibility?



Does the company use CSR training materials/tools?



... NEEDS OF COMPETENCES ON CSR (2):

CORE SUBJECTS and ISSUES	Relevant for the organization?(1-low / 4-high)	Training need on this subject/issue? (1-low / 4-high)	CORE SUBJECTS and ISSUES	Relevant for the organization?(1-low / 4-high)	Training need on this subject/issue? (1-low / 4-high)
1. Organizational Governance: "system by which an organization makes and implements decisions in pursuit of its objectives"	3,63	1,38	5. Fair operating practices: "concern ethical conduct in an organization's dealings with other organizations and individuals"	3,20	1,51
Accountability, transparency, ethical behavior, respect for stakeholder interests, and respect for the rule of law	3,63	1,38	Anti-corruption	2,88	1,43
2. Human rights: "basic rights to which all human beings are entitled because they are human beings"	2,66	1,36	Responsible political involvement	2,88	1,43
Due diligence	3,13	1,43	Fair competition	3,50	1,57
Human rights risk situations	2,13	1,29	Promoting social responsibility in the sphere of influence	3,13	1,57
Avoidance of complicity	2,25	1,29	Respect for property rights	3,63	1,57
Resolving grievances	2,25	1,43	6. Consumer Issues	3,32	1,78
Discrimination and vulnerable groups	1,88	1,14	Fair marketing, factual and unbiased information and fair contractual practices	3,75	1,71
Civil and political rights	2,50	1,14	Protecting consumers' health and safety	3,50	1,71
Economic, social and cultural rights	3,38	1,57	Sustainable consumption	3,13	1,86
Fundamental rights at work	3,75	1,57	Consumer service, support, and dispute resolution	3,63	2,14
3. Labour practices: "all policies and practices relating to work performed within, by or on behalf of the organization"	3,68	1,80	Consumer data protection and privacy	3,63	1,86
Employment and employment relationships	3,75	1,71	Access to essential services	2,63	1,57
Conditions of work and social protection	3,88	1,86	Education and awareness	3,00	1,57
Social dialogue	3,25	1,43	7. Community involvement and development:	3,21	1,59
Health and safety at work	3,88	2,00	"an organization's proactive outreach to the community"		
Human development and training in the workplace	3,63	2,00	Community involvement	3,75	1,57
4. The environment	3,63	1,50	Education and culture	3,13	1,43
Prevention of pollution	3,75	1,43	Employment creation and skills development	3,25	1,57
Sustainable resource use	3,88	1,57	Technology development and access	2,63	1,71
Climate change mitigation and adaptation	3,38	1,57	Wealth and income creation	3,25	1,43
Protection and restoration of the natural environment	3,50	1,43	Health	3,50	1,86
			Social investment	3,00	1,57



... NEEDS OF COMPETENCES ON CSR (3):

According to previous table... :

- SMEs consider that the **seven core subjects included in the ISO 26000 are very relevant for them;**

- Labour practices
- Human rights
- The environment
- Organizational governance
- Community involvement and development
- Fair operating practices
- Consumer issues

- As for ISO 26000's issues considered as with **more training needs:** "labour practices" and "consumer issues", specifically:

- **Labour practices:**

Health and safety at work
Human development and training in the workplace
Conditions of work and social protection
Employment and employment relationships

- **Consumer Issues**

Consumer service, support, and dispute resolution
Sustainable consumption
Consumer data protection and privacy
Fair marketing, factual and unbiased information and fair contractual practices
Protecting consumers' health and safety



ANALYSIS OF EXISTING TRAINING OFFER (1):

Existing training offer:

- In some countries a huge educational gap exists; often not mandatory subjects, only partial CSR aspects, no complex solutions are available...
- In countries where a wide CSR training offer exists, there still exist gaps in planning CSR strategically; lack of a strategic platform for the CSR being linked to the company's business.
- Lack of training adapted to SMEs (size, resources...).
- Training materials are not adapted to SMEs targets; managerial level vs. other workers.
- Lack of practical knowledge on CSR, from the SME's side.

Training materials:

- Conventional materials; traditional learning environment. A growth in demand for other types of didactic resources. Innovation. Virtual/e-learning: to find a balance between private life, career, and further education.
- Lack of standardization of written materials on CSR.
- Training resources often are too universal to attain more specific purposes.
- Identified needs for trainings to be easy to access and simply to understand.



... ANALYSIS OF EXISTING TRAINING OFFER (2):

Covered topics:

- In general, partial topics are only covered.
- There are gaps when comparing the existing toolboxes and knowledge base with the issues in ISO 26000; very few training resources consider issues included within ISO 26000. For example “human rights” and “consumer issues” are less usual.

Existing other training tools on CSR:

- Apart from conventional training materials, some interesting tools to be highlighted:
 - Austria: “The Complete CSR Toolkit”, “SUMMIT – Sustainable Management Methods Integrating Tool-Kit”, “Sustainable Business Planner”
 - Denmark: “The Ideas Compass”, “The CSR Compass”, “[People and Profit Guide](#)”
 - Poland: “[Good CSR Practices Fair by Responsible Business Forum](#)”, “[Responsible Business Forum](#)”
 - Spain: “Corporate Social Responsibility Observatory”, “Guide for the implementation of the CSR in the enterprise”
 - Bulgaria, Lithuania and Slovenia: more traditional training materials have been identified.



RECOMMENDATIONS (1):

CSR as an opportunity:

- CSR training should represent an option for further sustainable growth.
- Promotion of the CSR concept among SMEs' entrepreneurs using the reputation of the International Standard Organisation; as an investment in sustainability and competitiveness.
- Awareness raising about the benefits and crucial role of the Corporate Social Responsibility in improving competitiveness and raising the social standards in the economy.
- Pressure from the informed and caring consumer: the assistance to encouraging socially responsible consumption might be a strong stimulus to enterprise.
- The trainings should be designed not only for the top managers, but also for other employees. Involvement.
- A Guidance on social responsibility in the form of an ISO standard would assist in the promotion of the training.

Topics to be included in a CSR training tool:

- CSR topics should be represented to the SMEs in a way that suits those best (flexible learning, as e-learning).
- Strong focus on the "business case" and also provision of practical cases. Contents related to benefit measurements. Use of cases: the quality of cases should be improved also including much more relevant dilemmas.
- Real-life examples of strategic CSR platforms to help SME's identify the business relevance.
- CSR contents linked to a business model; in order to turn investments into benefits. The research institutes, the universities and the NGOs should be prepared to teach them to develop strategies.
- Organization of the effort, on how to integrate CSR into the existing structures and processes.



... RECOMMENDATIONS (2):

... Topics to be included in a CSR training tool :

- To monitor and measure CSR performance. Develop a reporting system for SME's based on GRI but adjusted to the core themes and issues of ISO26000.
- To support a life cycle approach to create a common platform of understanding among the partners in the product chain. Develop examples on how the life cycle approach can improve performance and business.
- To focus on communicating with the consumers/customers. Develop a tool or text about: "Six principles to keep in mind when communicating on CSR/ your work with ISO26000 as a SME". Concrete examples.
- To include guidance on how to conduct a stakeholder analysis and how to use stakeholder inputs and concerns when working with the framework of ISO26000.
- Guidance to the trainers on how to mix didactic resource to a specific target-group.
- Develop a pixie book that makes it more attractive for SME's to read ISO26000 (it is comprehensive...)
- A special focus: CSR training contents addressed to people already involved in the human resource development.
- Special attention: the core subjects of consumer issues and community involvement and development, due to the fact that the consumer pressure could be a strong motivator for SMEs to be started within SMEs issues



... RECOMMENDATIONS (3):

Tips for the design of a CSR training tool:

- Establishment of a platform that allow the exchange of experiences and mutual learning. Virtual platform.
- Provision of intergenerational, interdisciplinary and intercultural learning settings.
- Compact trainings and training resources, particularly in the form of guides; unified contents, standardized and adapted to SMEs needs.
- Provision of personal training (presence training or virtual attendance).
- Motivating resources; the training should make CSR more friendly and closer to SMEs.
- Provision of further reading, information, links to relevant organizations and web-sites.
- Definition of terms and/or provision of a glossary.
- Clear and simple language, and generally understandable information.
- Visual contents, through attractive, accessible and easy to use materials.

The new CSR training platform should make ISO 26000 accessible to SME's, in order to make easier the integration of CSR strategies within the overall company's strategy. As well as this, the introduction of the CSI tool should be expanded to all the interested stakeholders, not only SMEs, but also to the universities and VET institutions, in order to provide integrated and accessible didactic resources.



... RECOMMENDATIONS (4):

The ongoing training platform....

The screenshot displays the 'CSI Training' web interface. At the top, a navigation breadcrumb shows 'Home > My courses > CSI'. A left-hand navigation menu includes sections for 'Home', 'My home', 'Site pages', 'My profile', 'My courses', and 'Settings'. Under 'My courses', the 'CSI' course is expanded to show sub-topics: 'Participants', 'General', 'Societal context', 'Analysing and prioritising', 'Agenda setting', and 'Implementing SR in the Organisation'. The 'Settings' section includes 'Course administration', 'My profile settings', and 'Site administration'. The main content area, titled 'Topic outline', features the 'CSI EU Course' logo and a list of topics. The topics are: 1. Societal context (with sub-items: SR specific characteristic, SR principles, and a questionnaire); 2. Analysing and prioritising (with sub-items: Core subjects and issues, Workable options, and Assessment of workable options); 3. Agenda setting (with sub-item: Defining SR policy); and 4. Implementing SR in the Organisation (with sub-item: Implementation). At the bottom of the page, logos for the European Union, EACEA (Education, Audiovisual & Culture Executive Agency), and the European Commission are visible.



THANK YOU!!

www.prepare-net.com/project/csi-eu

