Corporate Social Responsibility (CSR) & Vocational Service A Strategic Partnership

> AG Chew Ban Seng Rotary E-Club of 3310 eclub3310@gmail.com



"In Rotary, our business is not profit. Our business is peace. Our reward is not financial, but the happiness and satisfaction of seeing a better, more peaceful world, one that we have achieved through our own efforts."

RI President 2012-2013 Sakuji Tanaka

Rotary & Corporate Social Responsibility (CSR)

- Since inception, Rotary has built a philosophy based upon integrity in businesses and professions. These can be summed up in the Object of Rotary, our core values (Service, Fellowship, Diversity, Integrity, Leadership), The Four-Way Test, and Rotary Code of Conduct.
- Rotary clubs and individual Rotarians are committed to Vocational Service and high ethical standards in all of their interactions. As an organisation, Rotary International's social responsibility philosophy can be summed up by our commitment to transparency in governance, stewardship of financial resources and the environment, and fair labour practices.

Rotary Areas of Focus

- The 6 Areas of Focus reflect critical humanitarian issues and needs that Rotarians are addressing worldwide. They align Rotary with other international development efforts (UN Global Compact and Millennium Development Goals of UN) that will strategically further The Rotary Foundation's mission.
- While the Millennium Development Goals are a key focus at the UN, both the goals and Rotary's areas of focus aim to help others and give them hope for a better life in a better world.

rotary.org/future vision rotary.org/areasoffocus

Rotary Foundation Global Grants

Global grant-funded projects and activities should align with at least one of the six areas of focus:



Peace and conflict prevention/resolution



Disease prevention and treatment



Water and sanitation



Maternal and child health



Basic education and literacy



Economic and community development



THE ROTARY FOUNDATION # FUTURE VISION

Supplier

Social Responsibility: Embeded/integrated across organisational operations

Sustain ability: Built and sustained business that is of benefit to multiple stakeholders

Employees Social Legitimacy: defining basic corporate mission in terms of social purpose rather than profit maximisation

Politics

Market

Monitoring of Ethical Issues: performance evaluation in all areas of operation in order to build trust among interested party

Creditors

RESPONSIBLE LEADERSHIP

Mixture of

knowledge set: specific skills, unique abilities

personal qualities and values are expected of leadership

Governance: Based on community of stakeholders and less as the property of investors Shareholders

CUMULE

Customers

Law/Regulations

Emotional Intelligence

Communities

Ethical Decisions – Some Common Dilemmas

- Honest accounting practices
- Responsibility for mistakes such as accidents, spills, and faulty product
- Advertising that is honest and not misleading
- Collusion with competitors
- Labour issues
- Brides and corporate espionage



"IF EVERYONE CONSLIMED AS CH FNFR AS THE AVERAGE SINGAPOREAN AND U.S. RESIDENT, THE KU ESERVES WOULD D IN BE DEPLE -9 YEARS**

Figure 2: World oil production by type http://www.worldenergyoutlook.org/docs/weo2010/key_graphs.pdf

"ENERGY EFFICIENCY RENEWABLE ERGY CA EDUCE OUR TELE EPENDENC FOSSIL

111111111

ARKARCARA

STREET, STREET AND A DESCRIPTION OF SALE PLANT

THEORY

NEAL COLOR

THE

CONTRACTOR OF A CONTRACT OF A

CORPORATION CONTRACTOR

1.16

* The Ecofys Energy Scenario, December 2010



The Energy Report – 100% Renewable Energy by 2050

10 Recommendations For A 100% Renewal Energy Future

The Energy Report – 100% Renewable Energy by 2050

"By 2050, we could get all the energy we need from renewable sources. This report shows that such a transition is not only possible but also cost-effective, providing energy that is affordable for all and producing it in ways that can be sustained by the global economy and the planet. The transition will present significant challenges, but I hope this report will inspire governments and business to come to grips with those challenges and, at the same time, to move boldly to bring the renewable economy into reality. There is nothing more important to our ability to create a sustainable future."

> James P. Leape Director General WWF International

The Energy Report – WWF

- 100% POSSIBLE Switching to a fully renewable energy supply by 2050 is achievable... but there are challenges to overcome.
- Energy derived from the sun, the wind, the Earth's heat, water and the sea has the potential to meet the world's electricity needs many times over, even allowing for fluctuations in supply and demand. We can greatly reduce the amount of energy we use through simple measures like insulating buildings, recycling materials and installing efficient biomass stoves. Biomass from waste, crops and forest resources has potential to provide a renewable source of energy.

"IF 0.3% OF THE SAHARA DESERT WAS A CONCENTRATED SOLAR PLANT, IT WOULD POWER ALL **OF EUROPE**"*

* Bridgette Meinhold, Desertec Foundation, 2009

AN ADDITIONAL 1,000,000 **ONSHORE AND 100,000 OFFSHORE D TURBINES WOULD MEET QUARTER OF THE WORLD'S** ECTRICITY NEEDS BY 2050"*

* Source: The Ecofys Energy Scenario, December 2010



BY 2050, MORE THANA THRD OF BUILDING HEAT COULD **COME FROM** GEOTHERMAL SOURCES"*

*Ecofys Energy Scenario, 2010





Fotoğraf: George Steinmetz © 2005 National Geographic Society. Her hakkı saklıdır. Dev Develer National Geographic Türkiye, Şubat 2005 Corporate Social Responsibility (CSR)

- CSR is about sustainability and the triple bottom line – People (Community), Planet (Environment), Profits (Financials).
- On 7 November 2009, RI United Nations Day, an announcement was made with United Nations Global Compact to encourage joint collaboration to advance and share "the ideals of high ethical business practices, sustainable humanitarian action, and world peace and understanding."

Social responsibility

Responsibility of an organisation for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that:

- Contributes to sustainable development, including health and the welfare of society;
- Takes into account the expectations of stakeholders;
- Is in compliance with applicable law and consistent with international norms of behaviour; and
- Is integrated throughout the organization and practised in its relationships

Principles of social responsibility

- Accountability
- Transparency
- Ethical behaviour
- Respect for stakeholder interests
- Respect for the rule of law
- Respect for international norms of behaviour
- Respect for human rights

Social Responsibility - ISO 26000 (7 core subjects)

- Organisational governance
- Human rights
- Labour practices
- Environment
- Fair operating practices
- Onsumer issues
- Community involvement and development

ISO 26000 offers a general framework and is a <u>guideline,</u> <u>not a legally</u> binding standard; it does not provide certification.





ge By adopting ISO 26000, companies seek not fro only to achieve financial targets but also to take their governance, environmental and social issues into account.

<u>not a legally</u> <u>binding</u> <u>standard</u>; it does not provide certification.



Benefits of Social Responsibility

- The perception and reality of an organization's performance on social responsibility can influence, among other things:
- Competitive advantage
- Reputation
- Ability to attract and retain workers or members, customers, clients or users
- Maintenance of employees' morale, commitment and productivity
- View of investors, owners, donors, sponsors and the financial community
- Relationship with companies, governments, the media, suppliers, peers, customers and the community in which it operates



Opportunity and Responsibility

How to help more small businesses to integrate social and environmental issues into what they do

Opportunity & Responsibility - Some key messages

- CSR is not a new concept to SMEs
- CSR can bring advantages to SMEs
- Partnerships between stakeholders are crucial
- Language and terminology must be appropriate
- Need to better integrate CSR into education
- Not all SMEs are the same
- Governments must act responsibly too
- CSR may look different in different countries

Enterprise publications

Responsible entrepreneurship is about running a business in a way that enhances its positive contribution to society whilst minimising the negative impacts on people and the environment. It shows the way in which entrepreneurs interact with their stakeholders on a daily basis, namely, customers and business partners in the marketplace, employees in the workplace, the local community and the environment.



Responsible entrepreneurship

A collection of good practice cases among small and medium-sized enterprises across Europe



Challenges for SMEs

The success of CSR management systems for SMEs will be influenced in particular by:

- Cost. Management systems that are expensive to buy or to implement are likely to see a lower uptake.
- Simplicity. The best CSR management systems for SMEs will be those that are simple and not excessively time-consuming to operate.
- Degree of integration into other existing systems. Ideally a CSR management system for SMEs should be linked to or even integrated into other existing management systems.

Business Cases for Investing in Employee Volunteering

Employee volunteering

- Creates employee engagement
- Attracts better talent
- Is employee development
- Offers a competitive advantage
- Increased corporate intelligence
- Reduces health care costs

(Source: http://realizedworth.blogspot.com/2011/06/business-case-for-employee-volunteering.html)

Awareness-raising questionnaire

corpo social respo



a initiative of the European Commission inectorate-General for Enterprise

you think about your company's efforts towards responsible entrepreneurship by raising questions on the possible ways you could improve your business in a profitable and sensible manner. It will also help you identify further actions you can take to strengthen your business, its reputation and performance. The questionnaire explores workplace policies, environmental policies, marketplace policies, community policies, and company values.

This questionnaire helps

Responsible Leadership



Social Responsibility to SMEs

Responsible entrepreneurs (Rotarians):

- Treat customers, business partners and competitors with fairness and honesty;
- Care about the health, safety and general wellbeing of employees and consumers;
- Motivate their workforce by offering training and development opportunities;
- Act as 'good citizens' in the local community;
- Are respectful of natural resources and the environment.

BEST PRACTICES

As a Rotarian, I recognise my role in the community. I shall

- Act against all forms of corruption, bribery and extortion.
- Promote ethical and responsible decision making and safeguard the integrity of financial reporting.
- Preserve and progress the legitimate interests and rights of stakeholders.
- Adopt a precautionary approach to environmental challenges and support initiatives that promote greater environmental responsibility.
- Respect and uphold the internationally proclaimed human rights for the workforce.

(Responsible Rotarians, Responsible Businesses – drafted by PDG Gerald Minjoot & CP B S Chew)

Rotary's Identity

Use Rotary emblem as a mark of distinction to promote "Responsible Businesses" through the triple bottom-line
People (Community)

- Planet (Environment)
- **Profit** (Financials)



Resources (with special reference to SMEs)

Areas of Focus handouts - Rotary International The Energy Report – WWF Global Social Responsibility and the Quality Professional: The Implications of **ISO 26000 Discovering ISO 26000 Building Linkages For Competitive and Responsible Entrepreneurship Engaging Small Business in Corporate Social Responsibility** Social and Environmental Responsibility and the Small Business Owner **Opportunity and Responsiblity - European Commission** Introduction to Corporate Social Responsibility for Small & Medium-Sized Enterprises **Case Studies - European Commission** A guide to communicating about CSR Awareness-raising questionnaire <u>Responsible Entreprenuership</u>

How do you eat an elephant

