



Leading CSR



Corporate social responsibility

–an opportunity and a risk

- Well managed CSR is a competitive advantage:
 - Positive publicity and uplift for the company and its products
 - More attractive as an employer, partner or investment
 - Better staff morale and productivity
- Failing in CSR is a risk
 - Negative publicity and reputation risk, disruption to working environment, loss of customers, partners and employees...
 - Examples of CSR failures are plentiful, and more being reported in the media constantly
- CSR is the responsibility of the CEO, but managing it requires:
 - A clear overview
 - Practical tools and methodologies
- The foundation has to be solid – otherwise CSR projects will be seen as whitewash

CSR Hierarchy of Needs



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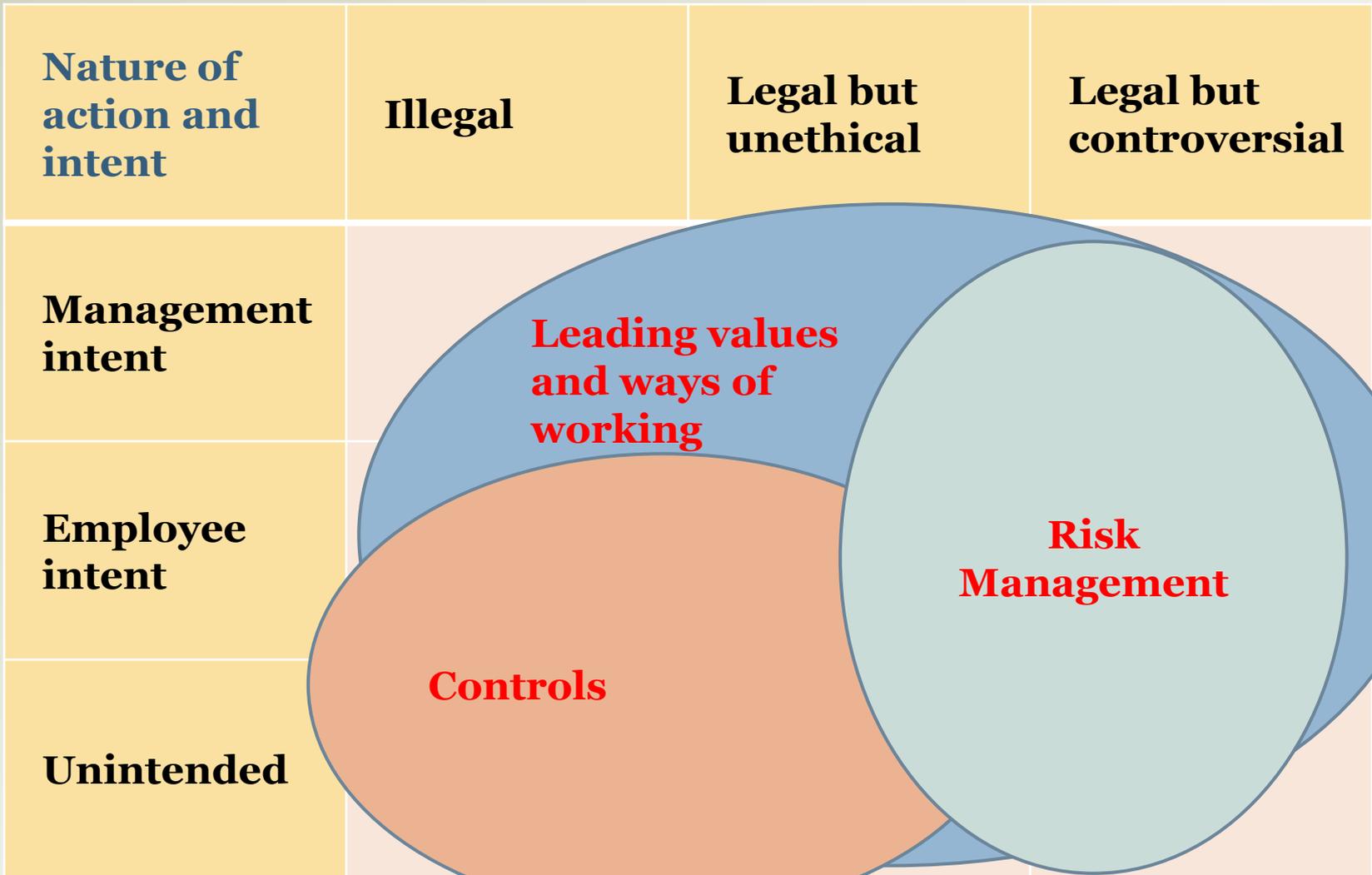
Types of CSR incidents

Nature of action and intent	Illegal	Legal but unethical	Legal but controversial
Management intent	Corrupted management <i>Enron</i>	Bad judgement <i>Instagram</i>	Considered risk <i>Starbucks</i>
Employee intent	Corrupted employee(s) <i>UBS</i>	Uncontrolled action <i>Nokia</i>	Unconsidered risk <i>American Apparel</i>
Unintended	Lack of oversight <i>HSBC</i>	Lack of consideration <i>BBH</i>	Unidentified risk <i>Fazer</i>

Leading CSR

- There are three basic methods of leading CSR
 - Leading values and ways of working
 - Controls
 - Risk Management
- Focus is on different methods for preventing the different types of incident, but all are used across the board.
- The methods include concrete and practical tools and procedures.
- It is about creating or enhancing a management framework, no investment in technology is needed.

CSR Management methodologies



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CSR focus areas

Governance

- Organisation
 - Roles, responsibilities and authorities
 - Role of non-executive board
- Strategy and goals
- Assurance

Ethics

- Anti-corruption
- Political activity
 - Competition
- Conflict of interest
 - Suppliers and partners
- Human rights and diversity
- Personnel relations
 - Personnel development
- Laws and regulations

Health, Safety and Environment

- Environment protection
- Sustainability
- Occupational health and safety
 - Product responsibility

Finance

- Audit programs
- Follow-up of exceptions
 - Planning
- Management information

IT

- Access right
- Security
- Personal data
- Disaster recovery
- Linking IT to strategy

Risk management and continuity

- Operational risk management
- Business continuity
- Crisis management
- Succession planning

Communication and reputation management

- Communication responsibilities and authorities
 - Transparency
 - Social media
- Consumer and customer relations
 - Brand management
- Crisis communications

CSR Foundation

- A half day interactive coaching session for the leadership team
- Review of CSR focus areas:
 - Goals
 - Leading values and ways of working
 - Controls
 - Risk management
 - Current situation and best practice
- Identify development needs, actions to be taken, action owners and timing

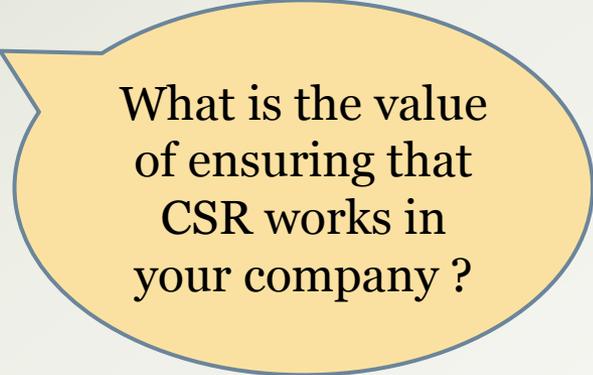
Benefits to the company

- Worst case scenario: everything is already 100% under control (worst case for coaching benefits, not for the company). The company will get:
 - Assurance and external verification that CSR is in hand
 - An effective sparring session on CSR and its focus areas for the leadership team
- Better case scenario (for coaching benefits):
 - Gaps and development opportunities identified
 - Concrete and practical actions defined
 - Action owners and timing agreed

Investment and additional services

➤ Investment required

- Half a day of leadership team time
- A modest one-time fee



What is the value of ensuring that CSR works in your company?

➤ Additional services

- If development needs are identified, additional services are available under a separate agreement. These can be:
 - Leading or supporting the entire development project
 - Delivering or supporting selected development goals
 - Design and delivery of individual procedures, policies or training sessions

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