

Corporate Social Responsibility (CSR) or Corporate Social Opportunity (CSO)

Society expects companies to become more committed to social development initiatives and almost without exemption nestled within a company's annual report, its CSR activities are highlighted alongside business achievements.

An ever-growing number of companies recognise the clear connection between the health and profitability of their business and the health and general well-being of the community in which they carry out their commercial activities.

When we talk of 'Corporate Social Responsibility' there is an associated connection with burden; an unfair, maybe even unrealistic obligation on a company, the heavy weight of responsibility that must be fulfilled and often results in quick-fix cheque writing and a swift handover of the required responsibility.

Companies that embrace CSO recognise the long-term opportunities of an investment of engaging more creatively and actively in community support, resulting in mutual benefits for company, employee and community.

It is acknowledged that the greatest resource of any business consists of the skills, knowledge and energies of its employees, and companies that follow a CSO model often realise that specialist advice, practical help and skill transfer are often more significant than direct financial support to charities and community organisations.

Many of us were in Asia in December 2004 when the tsunami hit, the worst natural disaster to ever strike Thailand. Causing a huge loss of life, 5,395 killed and 2,817 missing as well as major damage to property, the environment and the economy. The severe impact on the natural environment in turn had serious consequences on the fishing and tourism industries and, therefore, thousands of livelihoods.

As part of the International Business Leaders Forum (IBLF) in Thailand at that time, I had the privilege of supporting and co-ordinating the contribution of numerous companies to the disaster relief and particularly livelihood recovery.

The lessons learnt, challenges and impact of the contribution of the private sector in Thailand, India, Sri Lanka and Indonesia is documented in an IBLF publication 'Best Intentions Complex Realities' dated: 1st March 2006, which be accessed via www.iblf.org. This document particularly highlights how business used its expert resources to provide assistance to disaster relief and recovery efforts, a simple but most effective example follows:

Sustainable Livelihood Recovery after the Asian Tsunami

With tourism being the major industry in the tsunami-hit area, numerous families lost their livelihoods when the hotels were destroyed and washed away. Hundreds of gardeners, bellboys, cleaners and laundry staff, were either not able or unwilling to re-locate and struggled to survive financially.

Groups of business leaders came together to research sustainable livelihood diversification and to subsequently assist in career transitioning. They used their business expertise to identify a new market that also matched the skill level and desire of the community.

One of the best examples was defined by its simplicity and practical approach. Rubber trees are in abundance in Khao Lak and line the coastal area but it was not a business many engaged in with the pre-tsunami focus mostly on tourism. As such, one of the business ideas generated by the business leaders with a guaranteed market was rubber harvesting. Apart from the key input - the new business idea - all that was required was the donation of a simple piece of equipment, a rubber mangle.

This was but one of the many examples of CSO, where companies engage actively to re-build a healthy economy, not by a 'hand out' to the community but by using their business expertise to give a sustainable 'hand up'.

But business leaders and businesses themselves can contribute more than just ideas or equipment. The primary motivation for many of the businesses involved in this project was having control over their resources, but foremost ensuring that tangible benefits were being passed down to the grass-roots and in an appropriate manner. Furthermore, it gave members of these companies the opportunity to physically engage with those that they were helping.

What was consistently the case in these projects was that they did not require large investments, but considered approaches that empowered the families and communities, avoiding charitable hand outs that can lead to a reliance in some communities.

Businesses also used their resources to source any assistance that was required. The company Manpower, for example, was able to provide professionals in psycho-social support to some schools and communities. Cadbury, in despatching its country managers to various locations, helped fishermen and boat operators to rebuild their businesses, incorporating modern marketing strategies alongside health and safety considerations that foreign tourists would expect. ThaiBev was also able to utilise its sponsorship of Everton Football Club to develop a football league in the affected communities.

When I returned with the IBLF and the business leaders to these communities in 2008 to review the progress that we had made, we found that almost all our projects had not only continued after we left, but grown. Communities and families had maintained financial independence, taken the ideas and built upon them. Back in 2005 the family that had started the rubber harvesting had gone from earning 100 baht a day, as an employee in a hotel to 400 baht a day selling rubber. But, within the framework of CSO, though sometimes seen as a taboo, there is also the opportunity for businesses to profit from the assistance they provide to communities.



Sustainable Livelihood Recovery: Pakistan

A separate initiative, I worked on in Pakistan was developing the milk industry in remote rural communities on the north-west frontier. Pakistan, unknown to most, is the world's sixth largest

producer of milk, but most of this is produced in small rural communities. Teaming up with one of the country's main dairies we arranged for training on better milk-producing methods, including care of their livestock and simple storage practices; in turn guaranteeing them daily sales in cash to this dairy. The results were immediate with both the dairy and the communities profiting financially from the arrangement, communities increased milk sales for cash, and the dairy increased its milk production. Community funds were then invested, by their choice, in medical services, school teachers and any equipment that the village decided was required.

Both the work in Thailand and Pakistan were ultimately demonstrations of individual and community empowerment. Of course, not all scenarios enable companies to despatch executives, managers and staff to assist at multiple locations, but by applying their business acumen before the budget, the benefits to businesses and communities can be far longer lasting than a hastily written cheque or annual report.



Benefits of Employee Community Involvement

To the company

- Improves the performance of teams
- Improves company image and reinforces brand loyalty
- Provides effective and testing development of management skills in a real and challenging environment
- Improves morale
- Provides a tested complement to existing training and development programmes with the element of reality not regularly found in the classroom
- Develops personal skills in ways which cannot be replicated on courses
- Provides a mechanism for senior managers to refurbish skills and to remain tuned to conditions in society

To the employee

- Satisfaction and motivation of doing something worthwhile
- Develops new skills and enhances existing ones in a real-life situation
- It stimulates innovative thinking by placing the employee in an unfamiliar world
- Builds better team working
- Often shows individuals they can achieve more than they expected
- Can provide the opportunity to test new or existing professional skills in a non-threatening environment
- Improves self-confidence

To the community

- Brings new skills and energies to the current problem
- Complements often stretched or severely limited resources
- Can help to get jobs done that would not otherwise get done
- Transfers skills and competences to the voluntary sector

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