Corporate social responsibility and occupational safety and health

As an inspiring and strategically important development, corporate social responsibility (CSR) is becoming an increasingly important priority for companies of all sizes and types. Occupational safety and health (OSH) is an essential component of CSR and this presents managers and OSH professionals with a variety of opportunities and challenges.

This factsheet explains what CSR is, how it relates to OSH, and gives some basic guidance for their successful integration.

What is CSR?

'CSR is the integration by companies of social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis' ([1]).

The concept of social responsibility means going beyond the fulfilment of legal requirements by investing 'more' in human capital, the environment, and relations with stakeholders. It is a voluntary instrument, but must be implemented reliably so that it fosters trust and confidence among stakeholders.

> **People – Planet – Profit**. With increasing globalisation, greater environmental and social awareness and more efficient communication, the concept of companies' responsibilities beyond the purely legal or profit-related has gained new impetus. Businesses need to be seen acting responsibly towards 'people, planet and profit'.

Why is CSR important?

✓ Customers and clients are influenced by a company's **reputation** in social and environmental areas.

✓ The **employment** market is competitive and good recruits want to work for and stay with companies that care.

✓ Social performance increasingly influences **investors'** decisions, as the ethical investment market grows ever more quickly.

✓ CSR enables the **strategic management** of internal and external risks in social as well as environmental areas.

✓ Existing **socially responsible actions** become more visible and are better communicated.

✓ Social and environmental responsibility has been demonstrated to **reduce operating costs**.

How does occupational safety and health fit in with CSR?

CSR is a voluntary initiative that must always address goals and actions clearly above the minimum levels of worker protection set out in EU and national legislation. Companies should adopt socially responsible initiatives because it is in their long-term interest.

With its focus on enterprises' stakeholders, CSR embraces both the internal needs of employees as well as the external needs of society. From an OSH perspective, this means both taking care of employees' safety and health in excess of legal requirements and considering external implications, such as using OSH as a criterion in the selection of subcontractors or in marketing.

CSR is likely to bring OSH closer to other important issues such as:

✓ human resources;

✓ work and life balance;

✓ other fundamental rights at work;

✓ environmental issues;

✓ public safety and health (including product safety);

✓ profitability and productivity.

CSR presents enterprises with an opportunity to raise their commitment to OSH. However, this means treading a careful path that builds upon existing achievements in OSH and avoids the pitfalls that might accompany the arrival of yet another management priority.
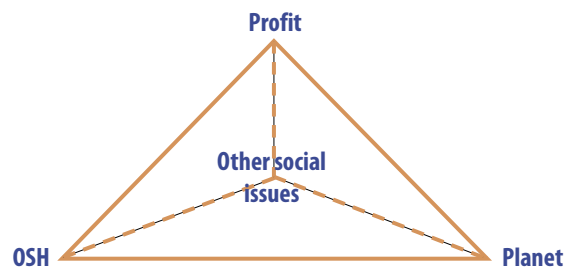
10 tips on integrating OSH and CSR

1. Build on existing activities

Companies embarking on a CSR strategy need to view their performance in safety and health as an essential and positive cornerstone of CSR. Therefore, look at existing actions and initiatives (such as corporate/brand values) and use them as a basis for new and innovative ideas. Think about connecting OSH with different areas, such as personnel, marketing, etc. Consider opening up your internal communication, for instance on OSH performance, to a wider audience (see tip No 10 on reporting).

([1]) European Green Paper (2001): 'Promoting a European framework for corporate social responsibility'.

2. Learn from others

CSR activities are being widely adopted by all types and sizes of company and a lot of information is normally available freely via the Internet or in published reports. Contact a company directly if you want to know more, for instance about implementation or possible difficulties; they will probably be glad to help! Health and safety networks are a valuable source of information, as are professional or sector bodies, employers' organisations, trades unions, NGOs, or local community groups. Consider joining one of the many ethical trade or awareness-raising programmes that exist at national and international level.

3. Define strategic aims

CSR can be viewed as providing a new framework that can be used to position safety and health more strategically within an organisation. Long-term goals for OSH can be linked to other strategic social goals and with environmental aims or sustainable development, in a way that avoids duplication of effort or mismatch of actions. Obvious links include mental-health issues and their close relationship with modern human resource management and employee satisfaction. Remember to communicate your aims to your stakeholders, especially employees, and involve them in the drafting process.

4. Identify and involve relevant stakeholders

Listening to stakeholders is fundamental to CSR; so take care to identify those who are most important, such as employees, clients, shareholders, government, NGOs, consumers or society. Health and safety professionals have an important role to play, as they know better than most the importance of gaining employees' trust and of involving them in strategic initiatives. Some companies already involve their local communities in health and especially safety-related issues, and again this presents an opportunity for combining and building on experiences.

5. Balancing people, planet and profit

CSR means the inclusion of social (people), environmental (planet) and economic (profit) considerations into business operations and communication with stakeholders. Safety and health at work, as a factor in employees' well-being, is a natural part of the 'people' aspect of CSR. Workers' and their families' perception of safety is crucial for an enterprise and it is important to know them and to listen to them. These are issues that are close to home and should not lose visibility in a CSR policy compared to potentially high-profile issues such as ethical trade or environmental performance.

6. Balancing external and internal aspects of CSR

Sometimes, safety and health at work is regarded as an internal issue only. However, external aspects of safety and health at work are linked to social accountability issues, such as the impact of activities of business partners along the supply chain. This means ensuring that risks are not externalised by contracting them out to other organisations. Core values need to be developed openly and applied consistently internally and externally.

7. Implementation: walk the talk

It is easy to lose credibility, so managers should lead by example and avoid espousing values and making commitments that are not kept, or are only applied externally. The need for top-level management commitment is a familiar message for OSH professionals and is equally relevant for CSR and OSH. The development of CSR initiatives presents an opportunity to give OSH increased strategic importance.

8. Innovate

It is important to embed OSH in the company culture and therefore safety and health actions are often well established as regular activities. CSR presents an opportunity to adopt different, complementary, initiatives and so avoid OSH being viewed as predictable. Try to be innovative and don't be afraid of making ethical statements — sometimes they have a greater impact on people's behaviour than rational arguments!

9. Organisational learning and development

CSR is not a 'quick fix', as it takes time to develop new values and to change company culture. This means that social responsibility needs to be incorporated into all policies and risk management processes. Educating employees on what CSR means and on how they can participate not only fosters a sense of ownership, but also results in them promoting the company externally.

10. Reporting

Reporting and external communication is a vital part of CSR and one that is no longer restricted to the largest multinationals, or those working in controversial areas. Credibility is essential, if accusations of 'greenwashing' are to be avoided, and this means being clear and honest. Avoid jargon, focus on your audience, and if necessary target your communications to the different stakeholders.

Where to go for more information?

Corporate social responsibility and safety and health at work — Agency report 2004

Corporate social responsibility and work health — Agency Forum 2001

http://europe.osha.eu.int/topics/csr/ Agency website on CSR

http://europa.eu.int/comm/employment_social/soc-dial/csr/csr_index.htm European Commission website on CSR

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