

Contents

List of figures, tables and boxes	ix
Foreword	x
<i>Ola Ullsten, Chairman of the World Council for Corporate Governance; Former Prime Minister of Sweden</i>	
Acknowledgements	xiv
1 The opportunity of corporate responsibility	1
Implementing corporate social responsibility	2
Shared value and common values	4
A brief history of corporate social responsibility	7
Corporate reporting	8
Corporate social charity	9
Corporate social opportunity?	11
Social and environmental challenges	12
What poverty really means	13
Global change: local impact	14
Oil oases in rural Kazakhstan	15
Confronting challenges	16
Opportunities for action	18
Shareholders	18
Stakeholders	20
Society	21
Environment	22
Conclusions	23
2 Leverage your core competences	24
CSR as good management	25
Bankruptcy	26

Borrowed virtue	27
Bad business	27
Bold business	28
Identifying your core competences	29
Complementing your competences with CSR	30
Responsive CSR	32
Strategic CSR	33
Case study: Anglo American – Zimele	35
Corporate challenges	37
Zimele: 'To be independent', to 'stand on one's own feet'	40
Conclusions	45
3 Collaborate based on common values	47
Creating shared value through common values	49
Cookie-cutter CSR	50
What do your partners value?	51
Defining common values	53
Strategic collaboration opportunities	54
Charting towards collaboration	55
NGOs	55
PPPs	56
Risk sharing	58
Implementing collaboration	59
Case study: AMAC and Montana Exploradora – community consultation for environmental protection	60
How AMAC works	62
Shared benefits of collaboration	63
Conclusions	65
4 Operate globally–impact locally	66
Beyond offshoring	68
Creating local opportunities	69
Staff opportunities	70
Who dares, twins: suppliers and CSR	72
'Going local'	73
Local social contribution	75
Case study: Gildan	78
CSR as corporate strategy	78
NGO and community engagement	83
Local operations: local opportunities	84
Sustained competitive advantage	86
Conclusion	87

5 Evolution to revolution	89
Building on existing skills	90
Managing evolution	94
Staff and strategic CSR	95
Adding voice to choice	96
Man is born free: but everywhere he is in supply chains	97
Encouraging revolution	99
Case study: Scandic hotels and <i>Omtanke</i>	101
<i>Omtanke</i> as a core competence	103
The Natural Step and Nordic Swan	104
Innovation and new initiatives	105
Conclusions	108
6 Governments and the changing business climate	110
Cooperation or coercion?	111
Flexible regulation	112
Doing business with bureaucrats	114
Encouraging responsible investment	115
Playing FTSE with corporate social responsibility	115
Facilitation	116
Regulating responsibility	117
Incentives for responsibility	118
Environmental pricing	119
Social investment incentives	120
Labelling initiatives and standards	121
Stopping free-riders	121
Case study: electrical waste policy in Norway	124
Background to the policy	124
How it works in practice	125
Who benefits?	126
Flexible policy driving innovation	128
Conclusions	130
7 Non-governmental organisations	131
Who and what are NGOs?	132
Operational NGOs	134
Advocacy NGOs	134
The NGO business model	135
Strengths and weaknesses	138
Strategies for success	142
Categorise your corporate responsibilities and opportunities	142
Recognise win-win opportunities	143
Creating shared value	144
Risk sharing and accountability	145

Case study: Turner Broadcasting Europe.....	147
Staff participation	147
Communication as a CSR contribution	149
Focus on relevant issues	150
Pepo la Tumaini Jangwani	151
Addendum.....	153
Conclusion	154

8 Creating shared value: the next steps	155
Next steps	158
Listen to your stakeholders.....	158
Identify opportunities	159
Develop a strategy.....	160
Creating shared value through sustainability	160

Acronyms and abbreviations.....	162
--	------------

Endnotes	163
-----------------------	------------

References.....	167
------------------------	------------

Index.....	171
-------------------	------------

Figures, tables and boxes

Figures

1	Implementing CSR	3
2	Opportunities to create shared value	6
3	Continuum of corporate social responsibility	17
4	Circles of influence and responsibility	19
5	Profits and public good: the CSR matrix	26
6	Anglo American plc financial outgoings: suppliers and shareholders	41
7	Gildan's code of conduct	80
8	Flow chart for evolution	92
9	HLL and evolution to create shared value	92
10	Creating a sustainable brand	102
11	Scandic's Compass Programme	102
12	Process of flexible regulation	113
13	Norway's EE waste returned per capita	127
14	NGO business model	136
15	Next steps	158

Tables

1	Hierarchy of social and environmental issues	32
2	Combining competences and opportunity to create strategic CSR	34
3	Identifying value creation opportunities for a gold mine	52
4	Recognising win-win opportunities	144
5	Turner's corporate responsibilities and opportunities	151

Boxes

1	Identifying core competences: an example	31
2	Thought provoker: Chinese contracts	53
3	A living wage? Novartis and a novel approach to pay	71
4	Thought provoker: fair trade and fairy tales?	98
5	Thought provoker: from slave trade to fair trade?	122
6	Pitfalls of partnership: a cautionary tale	141