

Unlocking the Potential of Corporate Social Responsibility (CSR) for HRM



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How to unlock CSR Potential

1. Abolish the misconception of:
 - CSR = Charity
 - CSR = Burden
2. Mobilize resources for HRM
3. Start STRATEGIC CSR from the crucial stakeholder: Human Resources
4. Build on improved HRM to develop a more responsive, appreciated and effective organization

1. Abolish the misconception:

~~CSR = Burden~~

Strategic CSR contributes to improve HRM:

- Loyalty & motivation
- Belongingness & attitude
- Recruitment & retention of talent
- Labor relations
- Workplace cooperation
- Absences & sick leaves
- Employee morale & productivity
- ...


1. Abolish the misconception:

~~CSR = Charity~~

"CSR is NOT about how profit is spent - it's about how profit is made"

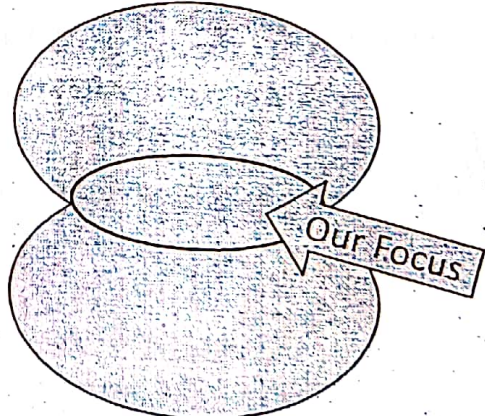
— Jeffrey Pfeffer

"Charity is the icing on the cake"



2. Mobilize resources for HRM

Start CSR from inside
mobilize resources for HRM
&
increase the profile of HRM:



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Clarify: strategic CSR starts from good HRM

The diagram illustrates the central role of a company in its relationship with various stakeholders. At the center is an oval labeled 'Company'. Arrows point from this central oval to eight surrounding ovals representing different stakeholder groups: Investors, Public Authorities, Media, Civil Society, Community, Customers, Suppliers, and Others.

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Potential Measures:

- Workplace cooperation mechanisms
- Codes of conduct (including S&E responsibilities)
- Grievance procedures
- Extending orientation, training & development
- Innovative compensation & performance mgmt. incentivizing staff's S&E responsibility
- Staff participation in decision making

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Clarify: CSR to be integrated in all functions:

- Strategic Management
- Product development
- Sourcing & Procurement
- Recruiting, Managing, Developing & Motivating people
- Manufacturing/Production
- Resource & Waste management
- Accounting
- Sales & Marketing
- Etc.

The diagram shows a list of business functions. Arrows from each function point towards a common vertical line on the right side of the list, indicating that CSR is integrated into all these areas.

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Potential Measures- continued:

- Diversity-management
- Anti-discrimination
- Literacy /entrepreneurship training
- Strategic Corporate Volunteering
- Staff suggestion schemes
- 'Green' teams
- Childcare / Work-life balance
- Etc.

Not so new?

4. Build on improved HRM

... and the increased recognition of HRM

- ➔ Mobilize more resources for HRM
- ➔ Demonstrate the strategic importance of HRM
- ➔ Increase the profile of HRM further
- ➔ Shift the paradigm from 'just' managing personnel to REAL HRM

4. Build on improved HRM



- ➔ Improve relations with external stakeholders
- ➔ Reduce transaction costs (smooth operations)
- ➔ Reduce Risk and Conflict (& cost thereof)
- ➔ Improve Reputation/Credibility/Trust