



Corporate Social Responsibility!

Erfolg durch Verantwortung!

*Eine praxisbasierte Fortbildung für Inhaber
und (angehende) Führungskräfte von
kleinen und mittleren Unternehmen (KMUs)*



Education and Culture DG

Lifelong Learning Programme

Corporate Social Responsibility!
Success through Responsibility

Work manual for the project
Corporate Social Responsibility for SMEs

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1 Information related to this CSR Work Manual

This Work Manual should support you during the three parts of our CSR training course. In the separate chapters you will find guidance for performance of training tasks presented during the Workshop in the abbreviated form and in the form of questions. In the last chapter you will find classification, which should serve as a basis for the documentation of your own CSR Project.

2 TT 1: Orientation table for the identification of own CSR activities

	Market	Environment	Workplace	Community
What have we done in CSR already?				
Why are we doing this?				
Where are our company strengths in relation to CSR activities actually?				
What other CSR activities could we do?				

2.1 Activity field Market

2.1.1 Activity field Market: Trends

- increasing energy and fuel costs as well as climate change lead to the situation when **consumers more consciously pay closer attention to the environmental friendliness** of products and services, e.g.:
 - when purchasing heating systems,
 - cars or electrical appliances and also
 - in the spheres like food or furniture
- **Scandals** have made many consumers more attentive, e.g.
 - BSE, rotten meat or
 - hazardous finishing of bookshelves for children's rooms
- Boom of **organic products, fairly traded food** as well as **ecological building materials** is only one evidence of that.
- **Understandable and comprehensive product information** has become an important purchase argument for many consumers
- Besides, they specifically pay attention to the use of acknowledged **quality seals**
- Large enterprises and increasingly also the public sector use **environmental and social criteria when awarding contracts**
- In several municipalities such standards are already **entrance obstacles for SMEs**

2.1.2 Brief overview of the market

Point of intersection for the society	Products and services, procurement
Stakeholders	<ul style="list-style-type: none"> – Customers – Consumer protection organizations – Suppliers – Competitors
Topics/starting points	<ul style="list-style-type: none"> – Product quality, product safety – Responsible dealing with products – Fair pricing – Comprehensive product information – Consumer protection – Excluded customer segments – Suppliers, procurement – Fair partnership with business partners
Challenges	Use of resources, trust in the economy, change of consumer behaviour

2.1.3 Orientation questions related to the environment

1. What do you know about ecological and social impacts of your raw materials, products and processes at the enterprise?
2. How do you ensure that your customers obtain correct, complete and understandable information about products and services?

3. Is there a system at your enterprise in order to ensure openness and quality in all the contracts, activities and in the advertisement (e.g. a fair procurement strategy, measures for the consumer protection etc.)?
4. Does your enterprise offer correct and complete information and labeling for products, services and obligations after the termination of the contract?
5. Does your enterprise ensure timely payment of invoices of suppliers and subcontractors?
6. Has your enterprise made arrangements in order to ensure feedback, consultation and/or dialogue with customers, suppliers and other business partners?
7. Does your enterprise appreciate and solve complaints from customers, suppliers and business partners?
8. Does your enterprise cooperate with other enterprises or organizations in order to address responsible entrepreneurship?

Practical Tip: Product Label Database

Labels are approval and quality seals for products. The Product Label Database offers information and valuations to more than 300 product identifications used in Germany.

The information helps craft enterprises to identify appropriate seals (e.g. construction materials, paint, varnish, wood protection, floor covering and electronic appliances).

www.label-online.de



2.2 Action Field Environment

2.2.1 Action field Environment: Trends

- Environmental protection is a **Motor for innovation**, growth and workplaces. Assembly of photovoltaic systems or construction and renovation of energy-saving houses.
- Already today about **1.5 million people work in the environmental sphere** and this number will double by 2020.
- Several federal states support SMEs with the **promotion program** for the introduction of environmental management systems.
- More than 60 municipalities take over a part of costs for the **entry program** in the environmental protection in production (ÖKOPROFIT program)

2.2.2 Brief overview of the environment

Point of intersection for the society	Consumption and transformation of materials in the whole value chain
Stakeholders	<ul style="list-style-type: none"> - Environmental associations - Local authorities - Employees - Consumers, citizens - Business partners
Topics/starting points	<ul style="list-style-type: none"> - Energy-saving and climate protection - Resources consumption - Renewable energies - Environmental impacts at the site - Environmental consciousness of the employees - Environmental management system
Challenges	Climatic change, protection of the variety of species, water shortage

2.2.3 Orientation questions related to the environment

1. Do you register the environmental impacts at your enterprise, e.g. in the fields of energy consumption or waste generation as well as costs connected therewith?
2. How do you reduce environmental influences of your enterprise, e.g. in the field of recycling?
3. Do you pay attention to environmental impacts and possible consequential costs by procurement of raw materials and products e.g. due to outer packaging and high waste generation?
4. Do you know the ecological promotion program in your municipality or your federal state? Who could you talk to about it?
5. Do you provide customers, business partners and the local environment with information related to your environmental protection activities?
6. Have you undertaken anything to reduce the environmental impacts of your enterprise? E.g. in the following fields: energy saving, waste minimization and recycling, waste avoidance (air, water, liquid waste, noise), protection of natural environment, reasonable transport alternatives?
7. Can your enterprise save money through the reduction of its environmental influences (e.g. through recycling, reduced energy consumption, avoidance of contamination)?
8. Do you consider also the possible environmental influences when you develop new products and services (e.g. evaluation of the energy consumption, recyclability or emissions)?
9. Does your enterprise provide its customers, suppliers or the local community with clear information about environmental footprint of your products, services and activities?

10. Do you know to what extent the sustainability of products and services could bring advantages for your enterprise in respect to its competitors (e.g. recyclability of products, energy efficiency etc.)?

11. Do you know under which social and ecological circumstances the raw materials used by you were produced?

Practical Tip: Step by step into the environmental management. Example of eco-labeling of crafts

Many craft enterprises already operate in an environmentally safe way. These enterprises can be checked without having to meet the requirements for complex management systems which are relatively high for small enterprises. For this purpose there are specific eco-labels in different federal states. The booklet presents the approach of the quality association of environmentally conscious craft enterprises exemplarily. **www.uba.de**



2.3 Action field Workplace

2.3.1 Action field Workplace: Trends

- increasing energy and fuel costs as well as climate change lead to the situation when **consumers pay attention more consciously to the environmental friendliness** of products and services, e.g.:
 - when purchasing heating systems,
 - cars or electrical appliances and also
 - in the spheres like food or furniture
- **Scandals** have made many consumers more attentive, e.g.
 - BSE, rotten meat or
 - Hazardous finishing of bookshelves for children’s rooms
- Boom of **organic products, fairly traded food** as well as **ecological building materials** is only one evidence of that
- **Understandable and comprehensive product information** has become an important purchase argument for many consumers
- Besides they specifically pay attention to the use of acknowledged **quality seals**
- Large enterprises and increasingly also the public sector use **environmental and social criteria for awarding contracts**
- In several municipalities such standards are already **entrance obstacles for SMEs**

2.3.2 Brief overview of the workplace

Point of intersection for the society	Products and services, procurement
Stakeholders	<ul style="list-style-type: none"> - Customers - Consumer protection organizations - Suppliers - Competitors
Topics/starting points	<ul style="list-style-type: none"> - Product quality, product safety - Responsible dealing with products - Fair pricing - Comprehensive product information - Consumer protection - Excluded customer segments - Suppliers, procurement - Fair partnership with business partners
Challenges	Use of resources, trust in the economy, change of consumer behaviour

2.3.3 Orientation questions related to the workplace

1. What would your employees change at your enterprise first of all?
2. Have your employees already once recommended you as a "good employer" in the circle of acquaintances?
3. If yes, why – if no, maybe why not?
4. How can your employees submit their own improvement suggestions?
5. What possibilities do you offer your employees throughout the training period for the further development of their professional skills and perspectives?
6. Do you support your employees through development of their skills and long-term professional perspectives (e.g. through the procedure of performance evaluation, further training plan)?
7. How do you behave with your employees when the company does not "buzz"?
8. Do you have a procedure in order to ensure that you will react to any discrimination – both at the workplace and by the recruitment (e.g. against women, ethnic groups, disabled etc.)?
9. Do you involve your employees in the decision-making by important issues?
10. Do you have appropriate rules at your enterprise for the health protection, safety and overall well-being which would offer enough protection for your employees?
11. Does your enterprise offer its employees the possibility to make profession and private life compatible with each other – for example through flexible working hours or work at home and telework?

Practical Tip: From practice for practice. Compatibility of profession and family in crafts

A family-conscious working world is crucial for the successful compatibility of family and profession. The booklet of ZDH and the network bureau “Success Factor Family” presents good examples from practice of the crafts.

www.erfolgsfaktor-familie.de



2.4 Action field Community

2.4.1 Action field Community: Trends

- social problems in the entrepreneurial environment are increasingly being solved **by responsible actors only insufficiently** (state, municipalities, social organizations, family)
- with **negative impacts** (economic development) for the enterprise at the site:
 - education at school and vocational training often does not correspond to the demands of vocational education which is accompanied by
 - unemployment and lack of training among young people,
 - such growing issues as violence and intolerance,
 - inadequate supply of childcare facilities
 - are not solved appropriately to their nature
- promising answers to topical challenges are ever more searched for in **new alliances** (PPP)
- thereby the **actual problem solving** comes to the foreground and the issues of donations are becoming less prominent
- many enterprises increasingly get involved with **all their resources** and competencies (time, know-how, equipment, services, logistics, contacts)
- although the public generally associates the **involvement of the enterprise** with donations and sponsoring

2.4.2 Brief overview of the community

Point of intersection for the society	Involvement going beyond the actual business activity
Stakeholders	<ul style="list-style-type: none"> – Non-profit organizations – Such public institutions as schools, nursery schools – Citizens in the environment – Policy, municipality
Topics/starting points	<ul style="list-style-type: none"> – Enterprise donations – Sponsoring, cause related marketing – Award of contract to social organizations – Company foundations – Voluntary involvement of employees

	– Lobbying for social matters
Challenges	Intact community, social solidarity, integration

2.4.3 Orientation questions related to the community

1. What developments and problems have a positive or negative effect on your enterprise in your social environment?
2. Do you encourage your employees to get involved in the local community?
3. If yes, what support do you offer (e.g. through release or use of enterprise resources)?
4. How do you communicate your social involvement in respect to customers, employees, business partners and the general public?
5. Are you in contact with welfare organizations and non-profit institutions at your site?
6. Do you know the offers of the organizations which could be interesting to you e.g. in day care or education?
7. Who could the cooperation be organized with to the benefit of both parties and how?
8. Does your enterprise offer educational possibilities for the local community (e.g. educational places for young people or disadvantaged groups)?
9. Do you enter into the open dialogue with the local community related to controversial or difficult issues which concern your enterprise (e.g. wastes on the ground or vehicles which block streets or pavements)?
10. Does your enterprise obtain supplies or primary products preferably on site?
11. Does your enterprise regularly support local activities and projects financially (e.g. donations or sponsoring)?

Practical Tip: Corporate Citizenship. A guideline for the social engagement of medium-sized enterprises

The guideline shows new ways for the social engagement of medium sized enterprises which at the same time serves to the society also as a positive enterprise development. It addresses medium-sized enterprises which are still not experts in the field of the (strategic) social engagement in the community. www.upj-online.de/identifizieren



3 TT 2: Location of CSR in the value chain

Enterprise infrastructure	Personnel management	Procurement	Marketing & Sales
			Internal, External logistics and processes within the company

4 TT 3: Introduction of CSR at the own enterprise

4.1 Phase 1: To orientate oneself, to understand CSR, to develop engagement

- 1. To orientate oneself, to understand CSR, to develop engagement**
- determination of CSR location
 - definition of strategic CSR
 - deduction of CSR objectives and measures internally and externally

Orientation questions:

1. Where are we standing today, what are we doing already?
2. What do our competitors do?
3. What does strategic CSR mean to us?
4. What is our main business, what are our strong points?
5. What can we distinguish ourselves with?
6. Where is the connection to own company activities?
7. What are legitimate interests of external players?
8. What could interest our stakeholders?
9. ...

5 TT 4: CSR in the own enterprise communication

- Beside concentration on **sales** and **customer relations** the publicity effect of the enterprise and the relation to the **stakeholders** should not be neglected
- Therefore **public relations** within the communication policy play a special role.
- CSR-oriented public relations include the **active formation** of communications relations between the enterprise and the social environment with the purpose of improvement of the **company image**.
- The underlying PR leitmotif is as follows: **“Speak about what you do!”**
- Critical for the success is however the evidence of responsibility undertaken by the CSR through **long-term reliable action**.

Orientation questions:

- What do you want to achieve in terms of the external impact?
(Formulate a measurable objective)
- What CSR activities would you like to be described with?
(See fields of actions/value chain)
- Who is your CSR message oriented at?
(target groups, competition, suppliers, policy, community etc.)
- Who should communicate your CSR activities?
(Media: newspaper, radio, persons: union, associations etc.)

6 TT 5: Structural recommendations for the documentation of the own CSR project

Information related to the preparation of CSR project documentation

Please note: This text represents orientation guidance for the documentation of own CSR activities (project documentation). Basically the project documentation should describe planning, performance and control or checking activities of an enterprise. The project documentation should be used for interested participants and also for the acknowledged further training examination which is offered within the framework of the CSR-SMEs Project. Thus, subsequently some information is given, which is crucial for the development of the CSR project documentation. Also the information/central questions in chapter 4 to the topic "Introduction of CSR at the own enterprise" offer a very good possibility to use crucial aspects for the project documentation.

Principles:

Project documentation is a comprehensible representation or description of the whole project course for third parties (e.g. CSR responsible person at the enterprise or members of the audit commission).

A project contains analysis of essential company initial or framework conditions as a so-called Actual State (e.g. company challenges, market or branch-related framework conditions etc.)

In addition it is effective to develop and to retain a specific concept of the actual goal of the project, so-called Target State. As an art of a linking the Actual and Target State within the framework of the project documentation for the purpose of transparency and comprehensibility, the way should be clearly described how to get from the Actual State to the Target State.

Therefore as a time table for the project documentation the following classification scheme can be used and in individual cases it can also naturally be detailed or modified.

1. Depiction of company problems – focus on the CSR activity field/s xy (e.g. Workplace)

This part of the project documentation can describe, for example, motives, company, economic, ecological, social or further circumstances which have caused the enterprise to contemplate more intensively about own CSR activities. The clear identification of the "actual topic" or of the "actual challenge", which one wants to turn to, can trigger already important impulses for the further works within the framework of the project, e.g. by the answer to the question which resources we require (human and material resources) in order to devote to this topic appropriately. Or: What specific details do we want to deal really intensively with? etc.

2. Information related to the enterprise in relation to the specific project objectives

In this part first of all the specific CSR project objectives which one would like to pursue for the own enterprise should be made clear. Thus, it contains basic information (numbers, dates, facts) on the basis of which the follow-up CSR activities can be comprehended and understood from the point of view of company and/or economic point of view. The purpose is also to select as exactly as possible from the large amount of numbers, dates and facts available at the enterprise those which can probably make an important contribution to the achievement of the goals.

3. Clear identification of the way to pursue achievement of the goal

To realize which way one would like to take for the pursuit of the goals is the starting point of this part of the project documentation. Therefore it is required to get or to have an idea on how the question “How do I proceed?” is answered specifically. Already experienced practitioners often use the “gut feeling” which is less obvious and comprehensible for the others. Certainly for the experienced practitioners it is an important additional aid helping them face the challenges in everyday work and make necessary decisions within the shortest time. This is, however, not enough for systematic comprehensibility required within the framework of the project documentation. For this purpose separate steps are needed, which should be made transparent for the pursuit of the goal. One could say that the gut feeling must be formulated in the head to a certain extent and put into writing. Only this way it is generally possible to check (later) that the taken way is appropriate (also for third persons). Furthermore during the systematic (and not ad hoc) search for the appropriate ways of solutions one has the possibility, which is also often a necessity, to first of all get further expert knowledge in order to be able to make a reasonable decision. Also the resort to the essential expert knowledge, once made, has to be depicted in the project documentation (e.g. “new” numbers, dates, facts, instruments, models etc.).

4. Depiction of implementation of CSR project activities

Now the specific steps and measures which were performed for the implementation of the goal are presented. An important grid can depict the answer to the following questions for this purpose:

- What goal was pursued specifically?
- What framework conditions were created in order to be able to pursue the goal?
- What corporate circumstances have rather promoted or rather hindered the pursuit of the goal?
- How did company measures for the pursuit of the goal specifically look?
- What (partial) success could be already achieved (until now)? How can it be stabilized?
- etc.

5. Checking the Target and the Actual State of CSR project activities

Checking the originally planned Target State (What do we want to achieve?) against the actually implemented Actual State (What have we achieved?) is the subject of



this part of the project documentation. Through a detailed analysis it can be determined, whether...

- the planned goal was rather “too big” or nevertheless appropriate
- all the relevant numbers, dates and facts were actually sufficiently available
- the framework conditions by which one is governed as an enterprise and also which one has created for the pursuit of the goal have passed in the end
- the measures which were introduced were appropriate (too little/too much)
- the timely and organizational changes were correctly evaluated
- etc.

In general this part contains information about the preparation of a comprehensible and transparent documentation with the help of which one can check the essential conditions and decisions any time and therefore easier understand why the project goals were achieved or not achieved or only partially achieved. It is a must for the sustainable economic observation of project activities.



7 Information related to the intranet of the CSR-SME Project

For all the participants of the CSR workshop intranet access was arranged. There you will find all the documents and materials of the workshop which were used as well as further information related to the CSR project.

For the intranet the email addresses provided at registration were enabled. The webpage is actually (June 2012) still under construction in many places but it is usable already.

In order to be able to use the Intranet the participants must create a Google user account because the Intranet “works” only through Google.

Instruction for the participants:

In order to be able to use the CSR-SMEs.eu Intranet please do the following:

1. Open the page www.csr-smes.eu and click in the field “Intranet” on “*here*” in the sentence “Click here to visit the intranet”.
2. On the following page please create a new Google user account by clicking on the “Register” button. In each case please use the email address indicated in your workshop registration.
3. After the registration Google sends you an email with which you confirm the correctness of your email address.
4. Following this you can log in the Intranet using your Google account access data.
5. If you have any questions or problems please contact Mr. Hannes Ujen at hujen@hanse-parlament.eu