CSR: A Fresh Perspective and An Integrated Proposed Model

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Abstract

Purpose: As the debate on the merits and de-merits of Corporate Social Responsibility (CSR) rages on, it is clear that the existing business mindset has changed and the acceptance of a wider range of responsibilities for business is becoming more prevalent as a practice. There are pretentious arguments but also contentious issues that cannot be ignored in relation to CSR. The purpose of this paper is to examine the various schools of thought on CSR, to examine the arguments and logics presented and to try and enrich the current debate by presenting a new perspective.

Methodology/Approach

Through case study analysis, the paper focuses on the practices of two organisations often quoted as pioneers in CSR and examines the effectiveness of the models used by both BP and Starbucks.

Findings The analysis of the two case studies involved has highlighted that CSR is a key driving force for modern competitiveness and acts as a catalyst for creating a competitive advantage.

Originality: This paper presents a fresh perspective which supports the notion that CSR has to make good business sense and the way to do so is have an integrated business perspective. Inspired by a description of CSR as "an exploratory journey towards the identification and creation of common benefits which demands commitment, co-operation and clear-sightedness from all involved" (Holme and Watts, 2000), the proposed model has been put together. The report published by The World Business Council for Sustainable Development specifically emphasises the importance of corporate values for driving the CSR agenda. The 5Cs in the proposed model are values-driven imperatives which will define what businesses must do, before evaluating what difference they must make.

Paper Type; Conceptual, research

Key Words CSR, Triple Bottom Line, Sustainability, Business Performance, Proposed Model.

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CORPORATE RESPONSIBILITY: A FRESH PERSPECTIVE AND AN INTEGRATED PERFORMANCE MODEL.

<u>Introduction</u>

Corporate Social Responsibility (CSR) is an emerging concept that has grown particularly over the last 10 to 15 years when businesses were increasingly being criticized by pressure groups such as Greenpeace, WWF and other groups applying and exerting pressure on businesses to change their habits and the way they do things. In particular CSR and has made a significant impact because it has focused significantly on environment and social issues. For instance when Shell was involved in the Brent Spar disaster, CSR has highlighted the importance of environmental responsibility. This has led to Shell being boycotted by a multitude of stakeholders. Although CSR means different things to different people, in a sense however, it considers the necessity for businesses to assume responsibility, not just in terms of activities that concern the customers, employees and shareholders but also it is about businesses responsibility towards communities and the environment in which they operate. So CSR can be construed to be a concept which has wider implications on businesses throughout their internal operations and their external interactions with stakeholders and other organisations and the environment in which they operate. Businesses are compelled to be diligent and compliant through statutory obligations in so far as safety and the environment is concerned, but in more recent years the move has been to add to the compliance the voluntarism mentality, which is for businesses to get involved in enriching and improving the quality of life of their employees, their families and the local communities and for society at large. Furthermore, there is an element that considers the ethical conduct of businesses in a global sense, and the way they deal, for instance, with employment, the way they do business and the way they commit to sustainability and the wider responsibilities on the plant.

The World Business Council for Sustainability and Development (Holmes and Watts, 2000) in its publication "Making Good Business Sense" uses the following definition:

Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economy development while improving the quality of life of the work force and their families, as well as of the local community.

 This definition implies that social responsibility of businesses becomes a wider concept that does not necessarily just focus on the philanthropic activities but keeps businesses focused on managing excellence, enhancing their performance, generating profit and delighting their customers and all of this to be done in harmonious mindset which makes businesses fulfill their duty and comply with the legal framework and generate benefits for all of its stakeholders. The definition also presents the wider responsibility of businesses from the point of view of a wealth creation process, which means that if the latter is to be managed properly, not only will this lead to businesses enhancing their competitiveness but also it

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means that the value creation process will have some sub benefits to society at large. It also means that there is an incentive for businesses to practice their wider responsibilities by doing more things and better things in the right way with the right mindset for the right reasons and leading to the right desirable result. This does not therefore mean that philanthropic exercises are veneered activities but rather they are core integrated with main business as the benefits can nowadays be quantified very easily.

There are so many interchangeable terms used to describe CSR. These include: Business ethics, corporate citizenship, corporate accountability, sustainability, business social responsibility. They all define corporate social responsibility from the point of view of commercial success, whilst honouring and subscribing to ethical values which transcend from respect for people and communities and the natural environment on the one hand, and also which means that total compliance and diligence with the legal, ethical and commercial requirements are adhered to. All of this is to be done with a spirit of raising standards of performance, raising standards of expectation and achieving a holistic integrated set of benefits to the expectation of all of the stakeholders. It is all about what businesses do, how they do it, when they need to react and how much do they need to impact.

It is unfortunate that CSR in many of the writing published is looked at as a 'nice to do' principle. However, CSR must be viewed as a comprehensive set of policies, practices, plans and programmes, which are part and parcel of business operations and value creation processes. CSR must also be seen as a catalyst to these decision making processes that are used on a daily basis in organisations, whether their concern is on direct value to the customers, or dealing with suppliers and partners or in terms of investing in technology and modernisation programmes or indeed in terms of the wider impact of businesses on the community on the global society, on the environment etc.

There is, however, no doubt at all according to different research studies, that CSR makes a lot of good business sense. CSR has impacted directly on business performance in a variety of ways. Several studies have indicated the impact of CSR on improving financial performance. For instance, a 2002 DePaul University Study which has demonstrated that the overall financial performance of the 2001 Business Ethics Best Citizen Companies were significantly better than that of the remaining companies in the S&P 500 index list. This is based on the 2001 Business Week ranking of total financial performers. CSR has also led to the conclusion that it can impact on reducing operating costs through ideas and initiatives that are practiced for environmental concern, such as reducing emissions and gases, recycling initiatives, waste disposal, the recycling of materials, and also through using people in the right way through flexible scheduling and the use of other work life programmes that have led to reducing absenteeism and increasing retention and employee motivation and satisfaction, thus leading to increased productivity and innovative contributions. Other studies have also concluded that CSR can impact significantly on enhancing brand image and reputation through customer satisfaction and customer contentment and also increase in sales and customer loyalty, increases in productivity and quality and the ability of businesses to attract and retain valuable and competent, talented people. Furthermore CSR has been found to positively impacting, on reducing harmful

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emissions. This is by going beyond compliance and using innovation to raise internal standards of managing safety and environmental issues.

There are several factors that indicate how gradually people's behaviour has been changing over the last few years and how CSR is being viewed as a necessary evil that senior managers cannot ignore. In addition to having a wider involvement of stakeholder activism and this has emerged through the recent scandals and unhappiness by the public on business conduct. There are, however, other sophisticated engagements through formal debate within industry sectors and industry association, and furthermore, there have been an exponential increase in codes of practice, industry standards and guidelines to enable organisations to apply generic principles of good practice, but also to encourage them to adopt CSR as an integral component of their ethical behaviour and their corporate governance. In addition we have witnessed significant increases in the level of transparency and reporting by businesses and the growth in government interest in the area of CSR. Lastly, we have also seen the synergy that has been created by focusing on CSR in the context of the wider government agenda.

It may be obvious to most businesses, it may also be normal common sense approach for the vast majority, however various studies have indicated that CSR still continues to be seen as a desirable goal and despite the emergence of a lot of research evidence that has correlated the benefits coming from commitment to CSR on various business aspects, there is still a struggle in getting businesses to drive the CSR agenda in the right way. It is logical for instance, to talk about promoting CSR as a vision for businesses through highlighting the internal benefits and the external competitive achievements that can be generated through the enhancement of brand image, through the inclusion of all the stakeholders and through rendering high value to various and differing expectations from, particularly customers and through leveraging and harnessing the strength of suppliers and others. It may also be logical to state that CSR by implication can only be pursued by widening the stakeholder perspective and developing smart partnerships. This is to support the decision making process on current and new developments that affect the value chain and which will have implications on the core stakeholders and which will also affect business capability and the sustainability of performance in the long term. Furthermore, there is the issue of integration of the CSR debate into existing strategies. This means that goal development, goal deployment, performance management, reward and recognition have got to look at the holistic set of expectations and have to induce the right behaviour within organisations so that people's mindset is changed positively and so that care for the environment, care for society and the importance of sustainability and continuity agenda are integrated in all aspects of business practice. Furthermore, businesses need to integrate the CSR agenda into the pro-active external engagement and the influence that businesses can generate at industry sector level, at government and wider levels.

CSR: The Benefits
There are several studies that have demonstrated how CSR can lead to tangible and intangible benefits and how it can support the development and growth of businesses in a variety of ways. For instance the survey carried out by The Economist Intelligence Unit in November 2007, has demonstrated that over the last three years or so CSR has been given growing priority by businesses in a very significant way (Fig. 1).
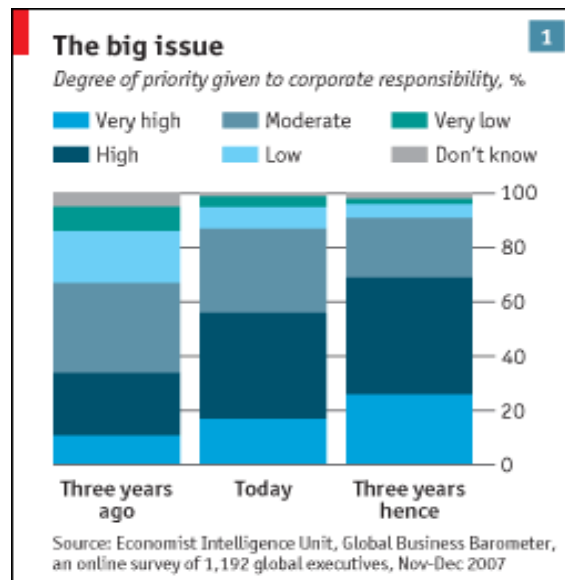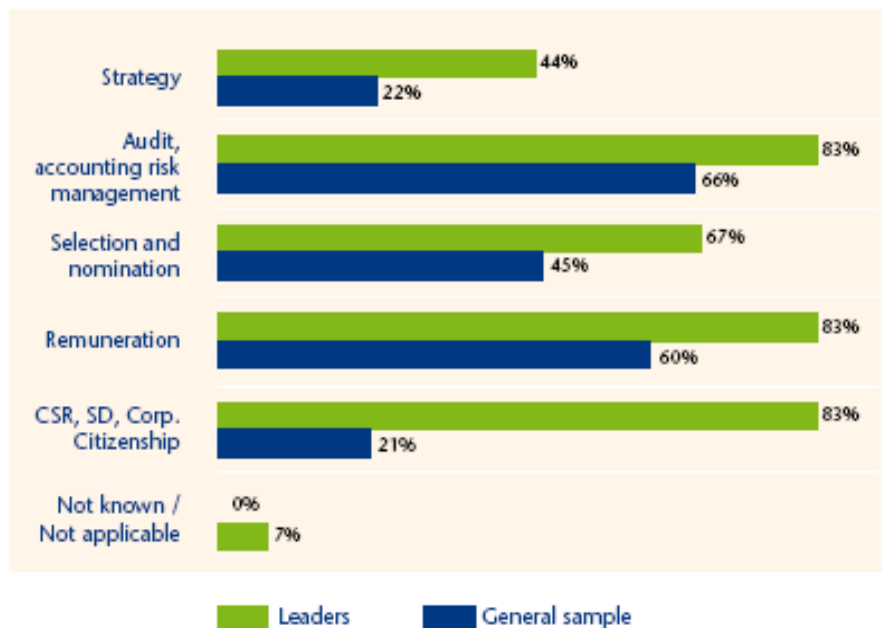
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The big issue
Degree of priority given to corporate responsibility, %

Very high | Moderate | Very low
High | Low | Don't know

Three years ago | Today | Three years hence

Source: Economist Intelligence Unit, Global Business Barometer, an online survey of 1,192 global executives, Nov-Dec 2007

Figure 1

In terms of government attention given to CSR in Britain, for instance, the 2006 Companies Act has introduced a requirement for public businesses to report on social and environmental matters.   The United Nations similarly promote Corporate Social Responsibility around the world, using a group called Global Contact. A recent survey of CEOs conducted by the Mackenzie Company has concluded that 95% of the CEOs surveyed believed that society has now higher expectations of businesses taking on public responsibilities than it did five years ago. Similarly, investors who were starting to take a keen interest on environmental and social issues, and a survey has concluded that $1 out of every $9 under professional management in America is found to involve an element of socially responsible investment. This is according to a study done by Columbia Business School. A study carried out in 2005 has found that, whilst 83% of the leading Dow Jones strategic index performance have appointed a CSR committee, only 21% however, of the Dow Jones World Index of all companies has done something similar. This fall indicates that the leading businesses have adapted a structure where a Board of Directors address sustainability issues as a fundamental component of future strategies, and therefore have ensured a better quality and deep evaluation and formulation of sustainable strategies (Real Academia , 2007) ((Fig.2).

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Figure 2: Appointment of Board Communities

Another study conducted by Goldman Sacks in 2007 (GS Sustain (2007) has concluded that sustainability translates into tangible commercial benefits. This study, which looked at six different industry sectors, had found that organisations considered to be leaders in implementing environmental, social and government policies and businesses that have designed policies and plans for creating sustainability from positions of advantage, have outperformed the overall stock market by 25% since August 2005. Within their own sectors 72% of the leading businesses have outperformed their peers over the same period. A separate study conducted by Mackenzie & Company has demonstrated that more than 90% of CEOs are doing more than five years ago in terms of incorporating environmental, social and governmental issues into their business strategies and operations (McKinsey & Company, 2007), A more recent study has shown that consumers gradually lean their preferences towards brands which demonstrate that sustainability is at the heart of their operation. This is not only in the B to C context but also the B to B context (The Emergence of Total Responsibility Management Systems , 2006) (Fig 3).

Q: Consumers who have chosen to buy a product or service because of the company's ethical, social or environmental reputation – % yes

US	45%
UK	42%
Italy	35%
France	34%
Germany	28%
Spain	26%

Base: a representative sample of c.1,000 adults per market, February 2006

Source: The Emergence of Total Responsibility Management Systems (2006)

Figure 3: Influence of corporate sustainability on consumers:

That research has also demonstrated that sustainability is often found to be an aspect of corporate culture, thus increasing the commitment and motivation of future employment by increasing and demonstrating the rising number of prospective employees considering the elite and role models CSR committed businesses are likely employers.

Against this backdrop of good news in so far as CSR and likely benefits are concerned, there are however, other studies which demonstrate that businesses are still lagging behind in achieving the status and desired goals and furthermore, there are also several studies which demonstrate that external perception of business commitment to CSR is still not of the desired level. A survey conducted by Mackenzie between February to April 2007 has shown that whilst business commitment to environmental, social and governmental issues is at a reasonably high level from the point of view of integrating the aforementioned issues in their strategies and operations, nonetheless there is a significant gap in what they need to do and what they do at the moment. As figure 4 indicates, there is a significantly large gap particularly in integrating CSR in Global Supply Chain Management and there is another significant gap in terms of integrating CSR into the strategies and operations of businesses subsidiaries in various parts of the world.
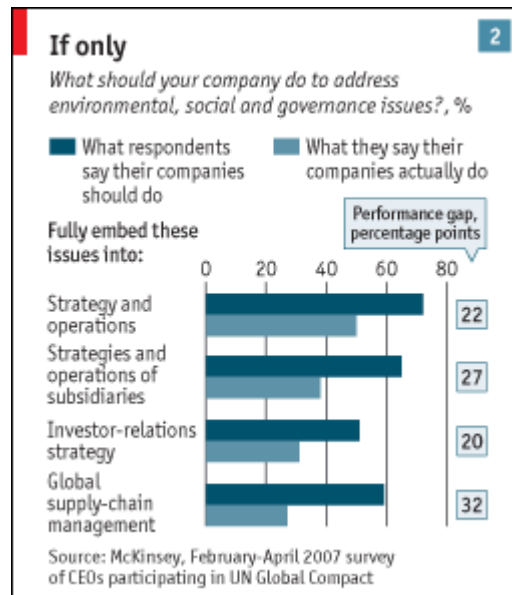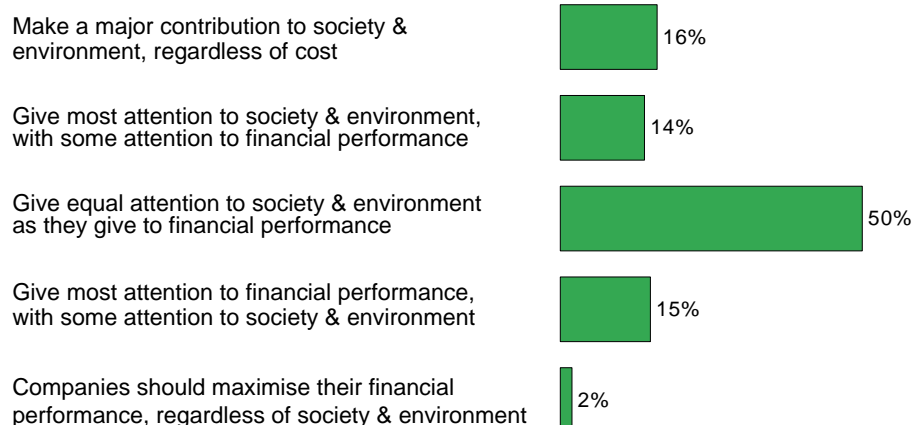
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Figure 4

 A survey conducted by Mori (2002) and focusing on a sample of 2001 British adults aged 15 + in various parts of Great Britain, conducted in August 2002, has concluded that there is still a significant gap in peoples expectations of what businesses should do and their perceptions of business commitment to CSR issues. As figure 5 indicates, the question on businesses commitment to CSR versus their commitment to financial performance, the survey indicates that the respondents still believed that businesses should significantly give more attention to CSR and to the same extent that they give attention to financial performance.

Society/Environment vs Financial Performance

Q   Which of these statements comes closest to your view? Companies should ...

Base: 976 GB adults 16+ July - August 2002

Source: MORI, 2002

Figure 5

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A very recent report released by IBM Institute for Business Value based on surveying 250 business leaders worldwide, Pohle and Hittner (2008), has found that businesses are increasingly using elements of CSR to differentiate themselves from competitors. They also use CSR for lowering costs and bolstering their bottom line. According to this study 68% of business leaders are using CSR to create new revenue streams, and 54% believe that their CSR endeavours are giving their companies a competitive edge. The report concludes, "CSR is no longer viewed as just a regulatory or discretionary cost ". The authors also conclude that CSR is"An investment that brings financial returns". The report identifies five areas where the leading businesses focus on; these include - regulatory compliance - strategic philanthropy - formal company value system - cost savings - creating new revenue streams.

CSR: The Rigmarole

Whilst CSR is gaining a tangible momentum in terms of the acceptability of the concept and the embracement of the philosophy and the adoption of the practice that is helping and has helped various businesses achieve community benefits which are internal or at a competitive level, nonetheless there are several schools of thought and the debate still rages on. One school of thought evokes a paper written by the late, great economist, Professor Milton Friedman, who in September 1970 has argued that businesses are there for making profit but not for having a social conscience. Friedman has always argued that in the context of the free market economy, businesses should adopt the free enterprise system, which means that they have to defend free enterprise and should be concerned with generating benefits from their stakeholders, particularly shareholders. Friedman concluded that "businessmen who talk this way are admitting profits of the intellectual forces that have been undermining the basis of a free society these past decades". Friedman was, of course, referring to businesses that have elected to adopt a social conscience and will take the view that the responsibility of businesses is to provide employment, eliminating discrimination, avoiding pollution and being a good corporate citizen. (Friedman (1970).

Friedman, in his paper has presented various arguments about the meaning of Corporate Social Responsibility by discarding its relevancy to the businesses and by appropriating it rather to individuals and leaving it to their clear conscience, so to speak. He concluded in his paper, "The discussions of the social responsibilities of business are notable for their unethical looseness and lack of rigour. What does it mean to say that business has responsibilities? A corporation is an artificial person and in this sense may have artificial responsibilities, but business as a whole can not be said to have responsibilities, even in this vague sense. The first step towards clarity in examining the doctrine of the social responsibility of business is to ask precisely what it implies for whom."

In concluding his paper Friedman says "there is only one and only one social responsibility of business - to use its resources and engage in activities designed to increase its profits so long as it stays within the rules of the game, which is to say, engages in open and free competition without deception or fraud."

Although Friedman has made his views 37 years ago, nonetheless it has generated a lot of debate among different schools of thought by those who are in support of the free market and free enterprise system perspective and those who believe that social consciousness is

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an integral component of doing business, particularly in the light of the various embarrassing situations that did arise in various parts of the world. The anti CSR argument basically discuss that leading companies have to focus on creating wealth rather than being the guardian of moral advocacy, as they also believe that creating wealth and producing superior goods means that this is a significant challenge that businesses must take into account, and being moral actors and accepting responsibilities for their other businesses misdeeds, make them more vulnerable and will create destruction in so far as delivering the true potential of what businesses can do. As the following argument explains, "today's leading companies are expected not only to create wealth and produce superior goods, but also to conduct themselves as moral actors - accepting responsibility for their misdeeds, and being responsive to the needs of others, and managing their own values and commitments. Contrary to theorists who for centuries have declared the corporation to be amoral, society today has endowed the corporation with a moral personality." Proponents of this school of thought argue that a company's main obligation is to stay in business and maximise maximum profit. This is done through contributing to society by remaining competitive and viable in the long term. If businesses remain viable and do well they will have fulfilled ultimately all of their responsibilities, including for instance enabling employees to keep their jobs, having suppliers who can also grow and prosper and keep their customers, and having customers who can continue to buy the products that they demand, and also having investors who are keen and willing to put money where they feel it is well protected. These anti CSR advocates also argue that any reason that pushes businesses away from making money towards mainly contributing to society will lead to significantly deteriorating effects and will negatively affect businesses competitive strengths. An example is always quoted where, for instance Walmart, one of the world's largest companies with over $245 billion in revenue in 2002, have achieved their success through ruthless practices by promising the consumer every day low prices, which has been done through cost cutting exercises on a continual basis and dictating the terms that increase efficiency through smart involvement of the employees, through squeezing suppliers on cost and creating an environment where value creation is heavily dependent on a continuous drive for generating big efficiencies.

There are, however, others who disagree with Milton Friedman's ideals and philosophy that he encouraged over 37 years ago. John McKay, the founder and CEO of Wholefoods, for instance in a recent debate in October 2005 has stated his views in relation to the CSR argument and this is in relation to the paper written by Milton Friedman and his re-iterated view in more recent years. John McKay, a strong advocate of Social Responsibility has written in response to Friedman's comments by saying, "I strongly disagree. I am a businessman and a free market libertarian, but I believe that the enlightened corporation should try to create value for all of its constituencies. From an investor's perspective, the purpose of the business is to maximise profits, but that's not the purpose for other stakeholders - for customers, employees, suppliers, and the community. Each of those groups defines the purpose of the business in terms of its own needs and desires, and each perspective is valid and legitimate." John McKay argues that his organisation would not have achieved the tremendous increase in shareholder value, since he led it from the inception, if it wasn't for their commitment to generating increase in shareholder value. However, it is the relentless drive for optimisation, for focus on customers, and for embracing best practice, for delivering value to the key stakeholders and working in partnership and caring for environmental society at large, that has been a successful

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philosophy for his business. He advances that the business model adopted years ago by Wholefoods could be construed to be a new form of capitalism which more consciously works for the good of a wide variety of stakeholders. He argues and insists that the current business climate is in bad shape and a fresh alternative is necessary. John McKay concludes that, "to extend our love and care beyond our narrow self-interest is antithesis to neither our human nature nor our financial success; it leads to the further fulfillment of both. Why do we not encourage this in our theories of business and economics? Why do we restrict our theories to such a pessimistic and crabby view of human nature? What are we afraid of?"

Perhaps, in concluding this section, one could say that neither argument is completely wrong or completely right. The truth of the matter is that the rules of the game are evolving quickly and that businesses nowadays are facing a new range of issues that they are expected to address quickly and in the right manner. When Freedman wrote his piece 37 years ago the rules of the game were significantly different. Of course he could not have predicted that these pervasive rules could emerge into a new trend and display a new pattern of pressures that businesses must respond to. For businesses in the 21st century it is a balanced view that needs to be displayed and this is what makes an essential component of their success. There is no doubt that CSR can enhance a business reputation, engage positively its employees, gets it to attract worthy and profitable customers and develop significantly positive and useful partnerships. What is required perhaps is not the abandonment of Freedman's doctrine of increasing profit, but rather to do so through being responsible in adopting the right business practices, not instead of them.

CSR: A Fresh Perspective
In the IBM Institute Report released in February 2008, addressing Corporate Social Responsibility, the arguments presented are fairly telling since they not only preach common sense but they demonstrate what best practice is and what businesses should do. This study has identified that the elements that tend to rank highest in the new activities include the following - creating new revenue streams 49% - strategic philanthropy 48% - cost savings 47% - formal company values 44% - regulatory compliance 28%. This therefore indicates that business leaders who are strong advocates of CSR are out facing their competitors twice as much because they emphasize on the spirit of collaboration and integration. In terms of collaboration the leading businesses spend a significant amount of time in understanding their customers' CSR expectations. Here lies a departure from traditional business practice, which tends to look at customer requirements from the point of view of point of services only. Furthermore, leading businesses in CSR practice have also got significantly rich databases and knowledge repositories with information on sourcing and dealing with logistics for driving their services and operations with CSR in mind from different parts of the globe. Leading businesses also collaborate with various partners and the end consumers themselves in finding total solutions with CSR issues being part of the value chain. These businesses also tend to engage their employees in CSR debates and practices bottom up and top down, in a mutually inclusive approach.

In so far as integration is concerned, leading businesses tend to place critical importance in having seamlessness in their Supply Chain Management activities, where CSR is a key driving component. They also claim to have exponential increase in their development activities for

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products and services that positively impact on the environment. They also support wider causes and community based projects by correlating closely the areas that they focus on in terms of philanthropy with their business ethos and business objectives. Another new report entitled "A New Mindset for Corporate Sustainability", Grayson et al (2008), as a white paper sponsored by BT and Cisco has also attempted to present a fresh perspective on CSR in an integrated manner. This report was acknowledging that the traditional business ethos of driving the value chain has delivered sustainable benefits to shareholders and other stakeholders at large, none the less the traditional model as the report states has a lot of obstacles to face up to now, particularly the use of resources, waste management, pollution, climate change and bio-diversity. The report argues that these issues now are becoming increasingly more relevant and important issues that must be addressed in order to maximise shareholder returns.

The report advocates a new approach to Corporate Responsibility, which pushes businesses to take obligation not only to the investors but also to the community and the environment in which they operate. They refer to this approach as S^2AVE. This stands for Shareholder and Social Added Value for Environment Restoration. As figure 6 indicates, this new mindset brings together various important and critically valuable components, which add value together in a synergistic way. This integrated system will drive corporate sustainable strategies and can generate innovation across all parts of the organisation.

Source: Grayson, D. et al (2008)
Figure 6

It however depends on business' ability to change its mindset to unlock these opportunities. The paper argues that this requires leadership to take meaningful action and not just to display words of encouragement. The report concludes by suggesting ten steps that could guide organisations for ensuring their corporate sustainability. These ten steps are referred to as the ingredients for sustainability/driven innovator:
1. Make innovating for sustainability a part of organisation's vision.

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2. Formulating strategy with sustainability at its heart.
3. Invest sustainability in every part of business practice.
4. Walking the talk.
5. Setting up a body with the power to make sustainability matter.
6. Setting firm rules.
7. Bringing stakeholders on board.
8. Using people power.
9. Joining a network.
10. Thinking beyond reporting; aligning all businesses with company's vision for sustainability.

CSR: The New Outlook

Having presented various arguments about how CSR has evolved over the years, what schools of thought exist in terms of supporting its worthiness and its relevancy to the 21st century and those that still insist on the hard nosed business approach that delivers maximum value to shareholders, and also having considered the emerging thinking, such as the new mindset report, it is now useful to consider a fresh outlook on how the current worthy experience CSR has provided, into an emerging pattern which is based on credibility and the validity of some of the thinking that businesses have been experimenting with over the past few years. Figure 7 is a proposed model which presents Corporate Social Responsibility as a composition of hard and soft elements working together, and reflecting a living cell that can grow and adapt to the external rigours of competitive markets and the environment in which businesses operate. On the other hand this proposed model integrates the hard nosed business approach with the wider responsibilities that businesses must engage in to and must take responsibility for.

Figure 7 presents a model which is driven by a compilation of soft factors that reflect the heart of business ethos (referred to as the 5 Cs) and the pillars that sustain businesses and supports their growth and development are referred to as the 7 Ps. Furthermore, the plasma and the fluid that feeds business growth and development is referred to through 4 Practices that leading businesses have been observed to adopt for driving passionately the growth and development of the businesses they lead that in terms of CSR being an integral component.
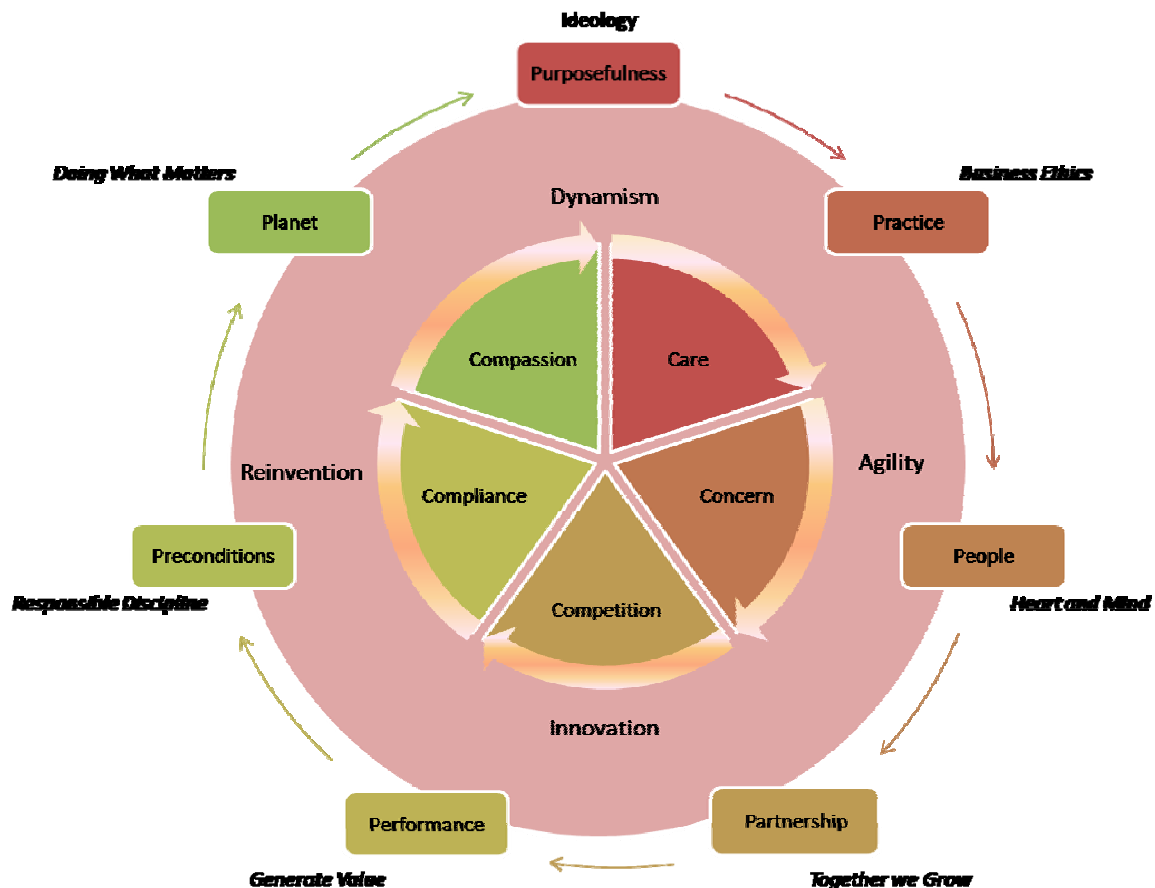
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Figure 7

The Nucleus of Modern Sustainable Business

It is perhaps useful to describe a modern business that is driven by a sustainable mindset in the form of 5 Cs.

- Care

  Care for employees, and particularly in the year of the knowledge based economy. Unless businesses learn the process of attracting, nurturing, developing, engaging, motivating, rewarding, recognising and retaining talent, they are more likely to be going to fail, and one of the parameters of measuring business performance in a modern context is to look at their ability to attract the needed talent, the degree of participation and involvement, they have the results in terms of motivation and satisfaction, and of course the percentage of retention of critical talent.

- Concern

  Sustainable businesses must be customer centric, must development consentability to focus on customer needs and requirements, including the unspoken needs. As the IBM Report has illustrated by understanding customer needs in terms of CSR, this will also demonstrate the commitment of businesses in remaining sustainable.

- Competition

  Smart businesses are those that understand competition and the mark to which they operate and they can through benchmarking and best practice, continue to shoot ahead of the duck and create leadership positions for maximising their place in the

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market place, capturing sizeable market shares and delivering maximum value to their stakeholders.

- Compliance

  A good business is a well regulated business, but also a good business is a business which is consistent, that builds predictable and reliable operations and a business that has the ability to recover from distractions that do exist and happen all the time. By having standards and using various forms of audit and optimisation, a business can always adjust its temperature and can always focus on optimising efficiently and effectively.

- Compassion

  A business does not operate in isolation by ensuring that the system dynamics view is used. Businesses can find the synergy that exists between their operation and the vicinity of their community and other stakeholders who can influence their growth and development such as suppliers, for example, and the wider synergy that can be created through global factors, through sourcing and through outsourcing and doing so by demonstrating compassion towards communities, towards the environment, but also by ensuring that the win:win principle and the mindset of growing the cake together is more relevant and more meaningful than ruthlessness.

The Pillars of sustainable business

This model proposes 7 key pillars for creating a sustainable business that is driven by continuity and the integrated practice with a wide perspective:

- Purposefulness

  This means that sustainable businesses are driven by an ideology of long term existence and not necessarily through short termism, which has dogged thousands of businesses over the years and from which various lessons have been learned. It is clear to say that good businesses, sustainable businesses are those that have clearly defined constancy of purpose and they are driven by a purpose and not necessarily for just generating profit.

- Practice

  Sustainable businesses have defined laws, rules, policies, plans, procedures and practices that reflect their business ethos, and more importantly that regulate them through their ethical conduct. Well practiced businesses are those that define the path for their success, they do so by taking into account internal and external factors, by including the voice of their stakeholders, and by systemising the practices so that they have diligent compliance, aligned and committed employees and stakeholders in the process of driving the value chain.

- People

  Sustainable businesses are those that know how to win the hearts and minds of their employees and make them part and parcel of the decision making process that guarantees the sustainability in the long term. There are also those that involve employees proactively in CSR related issues.

- Partnerships

  With the motto "together we grow", sustainable businesses are smart businesses that know how to work in partnership with their suppliers, with other strategic alliances and are those that know how to leverage and operate through an open system perspective.

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- Performance

  Businesses are there to generate value. Value has to be quantified in a variety of ways, notwithstanding the importance of generating profit for investors and key shareholders, businesses do also produce value for their internal stakeholders, i.e. the employees, but also for the local communities and the global communities they interact with.

- Pre-conditions

  Good and sustainable businesses are responsible and they believe in discipline. They comply with the law, they apply the regulations and they avoid disasters and embarrassment. They are strong advocates of standards and they operate good governance in a transparent manner.

- Planet

  Businesses that are sustainable are businesses that have a clear conscience, in other words they do what matters, not just in terms of recycling and helping regeneration projects, but also they take it as a challenge for them to support the sustainability argument of controlling pollution, for example, controlling waste, and finding innovative solutions to problems that have negative implications on others and on the planet as a whole.

The Glue of Sustainable Business

Having described the nucleus of best practice sustainable businesses and also having referred to the 7 Pillars that create the solidity and the robustness of creating sustainable businesses, it is now important to look at the DNA aspect for the glue that holds together the mindset described in the form of the 5 Cs and the membrane, the structure or the pillars are described as the 7 Ps. This DNA can be described through 4 key aspects:

1) Dynamism

   Dynamism in the context of a sustainable business means that it is incumbent on the leadership team to continuously evaluate, assess, examine and challenge status quo and to ensure that the future path is well depicted and plans that can carry the growth and development and safeguarding of the businesses are in place. This is not necessarily done through a well defined structure, well elaborated strategies and plans, but more importantly in terms of searching issues of conscience, exploring issues from the point of view of others, so it's outside in, mainly involving external stakeholders, but also looking at and listening to wider point of views, and social conscious arguments, mainly.

2) Agility

   Agility is building the ability to move fast, to move innovatively, to be responsive and to support the drive for value, and to support the enhancement of a business sustainable strategy. It also means that the implementation of new practices and the adoption of new principles, and the changing of road maps and plans, and the re-structuring of methods of work, and the engagement of talented people is constantly under review to represent the clear direction and the optimisation of the ethos of creating more value, but also creating more predictable, sustainable practices.

3) Innovation

   It has been clearly demonstrated by various studies, that the adoption of CSR as a core element of creating sustainable businesses enhances significantly their

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innovative capability. More importantly, excellent innovation can be stirred by presenting the economic argument with the socially conscious argument, as two faces of the same coin. Indeed, whether it is to do with cost reduction or saving of a CSR mindset, or whether it is to do with brand enhancement in terms of creating socially desirable practices, the innovative return on investment projects are part of that DNA practice that must exist for ensuring the sustainability route.

4) Reinvention

Going back to Professor Milton Freedman's arguments, there is also always the risk of creating an oversight in terms of tablet of stone arguments and practices and values and the evolution and development necessary for businesses to pursue in order to ensure sustainability. With this in mind it is important therefore, that reinvention as a practice is an argument that massively explodes all the time so that business practice remains compatible with the rigours of modern competitive market environment, there also must be in line with sustainable practices driven by purposefulness and by sets of values that most people believe in and adhere to.

MODEL VALIDATION: BEST PRACTICE CSR IN STARBUCKS & BP

Starbucks Corporation is the leading retailer, roaster and brand of specialty coffee in the world, with more than 15,000 company-operated and licensed locations in North America, Latin America, Europe, the Middle East, Africa and Asia Pacific. From Starbucks' founding in Seattle as a local coffee bean roaster and retailer, Starbucks has expanded rapidly. In the 1990s, the company was opening a new store every workday, a pace that continued into the 2000s. Domestic growth has since slowed, although the company continues to expand in foreign markets and is opening seven stores a day worldwide. The first location outside of the U.S. and Canada was established in 1990s, and they now constitute almost one third of Starbucks' stores

Starbucks brand portfolio offers a wide variety of consumer products including Tazo® teas, Starbucks Entertainment CDs, bottled Ethos™ water, Starbucks® ice cream and Starbucks™ liqueurs. The Seattle's Best Coffee and Torrefazione Italia coffee brands enable Starbucks to appeal to a broader consumer base by offering a variety of coffee flavor profiles. Starbucks also sells coffee-brewing equipment and other merchandise. With headquarters in Seattle, Starbucks Corporation is incorporated in Washington State, in the United States. The company's common stock is traded on the NASDAQ® Global Select Market ("NASDAQ"), under the symbol "SBUX." As of January 11, 2008, there were approximately 592,940 registered and beneficial shareholders of record.

By late March 2008, Starbucks had more than 16,226 stores worldwide, including 11,434 stores located in the U.S. On July 1, 2008, the company announced it was closing 600 under-performing company-owned stores and cutting U.S. expansion plans amid growing economic uncertainty. These closings have effectively ended the period of prolific growth and expansion the company began in the mid-1990s. Through various licensing arrangements and foodservice accounts, Starbucks® coffee and other products are sold in designated locations within airports, grocery stores, other prominent retailers, hotels and universities. Starbucks international licensed retail stores are operated through licensing

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arrangements and joint ventures, primarily with established retailers or restaurant operators, although some are wholly owned by Starbucks or its affiliates.

Starbucks commitment to CSR is clearly evident through its core values and the key principles in its mission statement. They place emphasis on people, customer, community, excellence and the environment. In relation to the environment for instance, Starbucks has an environmental leadership mission statement which focuses on : Understanding of environmental issues and sharing information with our partners, Developing innovative and flexible solutions to bring about change, Striving to buy, sell and use environmentally friendly products, Recognizing that fiscal responsibility is essential to our environmental future, Instilling environmental responsibility as a corporate value, Measuring and monitoring our progress for each project, Encouraging all partners to share in our mission. As *Table 1* clearly indicates, Starbucks has attained a CSR Leadership position by incorporating the fundamental principles of the proposed model in all aspects of their strategies, operations and performance outcomes.

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Table 1 : CSR Best Practices at Starbucks

Area	Evidence[1][2][3][4]
Care	• **Wellness:** Thrive Wellness combines education, communication and active participation to help partners improve and maintain their health. • **Equality:** Workplace policies actively promote equal employment opportunities, and strictly prohibit discrimination or harassment on the basis of race, national origin, age, sex, religion, disability, sexual orientation, marital status, veteran status, gender identity and expression, or any other basis, as well as any other basis prohibited by federal, state, local or provincial laws. • **Health and Safety:** Starbucks emphasizes partner awareness of our safety standards and any potential risks in the work environment. We reinforce company-wide awareness of our safety standards through training, safe work procedures, regular communication, inspections audits. • **Monetary Benefits:** Offering of S.I.P. – Stock Investment Plan (U.S. and Canada), Share Incentive Plan (UK), Future Roast – Starbucks 401(k) Plan (U.S.), RRSP – Registered Retirement, Savings Plan (Canada) to partners
Concern	• **Vision**: to raise industry standards for sustainability and to provide hope and opportunity for producers and their families. • **Quality vs. Price**: Starbucks work closely with people throughout the coffee supply chain – the farmers, millers and exporters in order to emphasize the importance of quality as the best, most sustainable driver of higher prices. Coffee and Farmer Equity (C.A.F.E.) Practices was designed to help ensure that high-quality coffee is grown and processed in a socially and environmentally responsible manner, an approach that extends throughout the coffee supply chain. • **Fair Trade Certified**. Starbucks and the Fair Trade movement share common goals – to ensure that farmers receive an equitable price for their coffee and have access to international markets. Working collaboratively with Fair Trade suppliers, sharing best practices, promoting economic transparency down to the farm level, and encouraging participating Fair Trade cooperatives to improve quality and sustainable production practices.
Competition	• **Collaboration**: Sharing the guidelines and scorecard for C.A.F.E. Practices with other companies that seek to develop sustainable coffee-purchasing practices. Starbucks also collaborate with others in the coffee industry, as well as with various international parties, NGOs and public agencies, to help address the challenges coffee farmers and their communities face. • **Knowledge Sharing**: Openness and willingness to share information and knowledge also led to case studies which have been made available to companies, academics and other parties for their use. • **Program Development**: Implementation of Supplier Social Responsibility (SSR) Program, and Standards for Manufactured Goods and Services to represent Starbucks overall approach to integrating responsible buying practices throughout Starbucks global supply chain for manufactured goods and services. • **Problem Solving**: Starbucks joined Business for Social Responsibility's Beyond Monitoring working group in 2007, which brings companies and stakeholders together to help address the root causes of social and environmental issues in global supply chains by developing a framework for identifying a successful supply chain strategy that includes buyer internal alignment, supplier ownership, empowerment of workers, and public policy frameworks.
Compliance	• **Equality**: C.A.F.E. Practices suppliers – and other entities within their supply network – must have certain practices in place that ensure safe, fair and humane working conditions; the protection of workers' rights; and adequate living conditions. The minimum wage requirements and addressing child labor/forced labor/discrimination indicators are mandatory. • **Public Policy**: Starbucks strive to comply with all applicable laws and regulations, and work fairly and honestly with government officials and others in the communities. Starbucks policy forbids partners from offering or making payments or gifts on behalf of the company in order to influence a government official, or from representing their personal views as those of the company.

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Compassion	• **Community Investment**: The combined total of Starbucks investments in coffee-growing communities through some coffee contracts was $1.5 million in fiscal 2007. The funds were used to pay for 50 projects located in 11 countries, benefiting more than 50,000 local farmers, their families and community residents.
	• **Society**: Starbucks stores make substantial efforts to buy products and services, such as baked goods, from local vendors. Local sourcing amplifies the positive economic impact of each store, resulting in the indirect benefits of creating new jobs, generating additional income for the community and providing increased tax revenue.
	• **Civil Role:** Starbucks works closely with civic organizations to help them better understand the opportunities, concerns and challenges faced by local communities. Infrastructure, workforce development and urban revitalization are few of the issues they have addressed through these relationships.
	• **Electricity**: Work with the U.S. Green Building Council to develop LEED (Leadership in Energy and Environmental Design) standards for the retail sector that set out best practices for environmentally sound design of new stores.
	• **Water**: Use a representative sample of stores as a "test bed" to monitor energy and water usage as part of a comprehensive audit to help us determine conservation opportunities.
	• **Paper**: Test the Environmental Paper Assessment Tool (EPAT) with our top two suppliers of paper products to help determine how to best incorporate the tool into the paper procurement decision processes. The decreases in post-consumer fiber and unbleached paper percentages were mainly driven by increases in tonnage but no significant increase to PCF or unbleached paper changes in product categories. We are close to maximizing PCF and unbleached in many categories without having operational impacts to products.
Purposefulness	• **Principle**: Committed to respecting the rights of partners (employees). Guiding Principles is based on the values on which the company was founded and has always put people first. The guiding principle is to "provide a great work environment and treat each other with respect and dignity.
	• Starbucks Total Pay philosophy is to recognize and reward partners' contributions toward achieving the company's strategic goals and business objectives, while aligning with Starbucks Mission Statement and Guiding Principles.
Practice	• **Ethics**: Upholding strong ethical corporate culture is paramount to Starbucks success. Starbucks Business Ethics and Compliance program supports partners in making ethical business decisions by communicating Starbucks Standards of Business Conduct, facilitating legal compliance and ethics training, and providing mechanisms for partners to seek guidance and voice concerns
	• **Effective Communication**: Starbucks offer a flexible and progressive work environment that fosters open, two-way communication. Encourage their partners to share their thoughts, opinions and concerns about Starbucks and their work environment, and we value and respect their input. Partner input often helps shape Starbucks policies and actions as they strive to create the best possible work environment.
People	• **Skill Enhancement:** Partners receive comprehensive training, beginning with a two-week Barista 100-level training program and offer an array of training and career development opportunities tailored specifically for partners.
	• **Career Development:** MyPartnerCareer.com, which helps partners throughout Starbucks connect with peers, discover career opportunities within the company and access job-preparation tools. More than 120,000 partners have visited MyPartnerCareer.com since its launch in May 2006.

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Partnerships	• **Alliance**: In May 2006, Starbucks announced a five-year, $2.5 million commitment of cash and in-kind donations to the National Association for the Advancement of Colored People (NAACP). Starbucks and the NAACP work together to identify and support projects reflecting our shared commitment to social and economic equality. • **Involvement**: In 1998 Urban Coffee Opportunities, LLC (UCO) was created, a partnership between Starbucks and Johnson Development Corporation, a company owned by Earvin "Magic" Johnson. The goal of UCO is to bring Starbucks stores to diverse local communities in the U.S. • **Partner Network Program:** Designed to capitalize on the energy, passion, and experience of Starbucks partners in the advancement of Starbucks diversity and inclusion strategy. Built on a model of shared accountability, the program empowers partners to foster inclusion, develop solutions that contribute to business success, and enhance personal and professional development.

Performance	• In 2007, the Great Place to Work Institute, a research and management consultancy based in the U.S., and with international affiliate offices throughout the world, named Starbucks to several lists:
	    • 100 Best Companies to Work For in the U.S. (#16)
	    • Best Companies in Mexico (#2)
	    • UK's 50 Workplaces (Top 10)
	    • Best Companies to Work For in Latin America (#11)
	    • Best Workplaces in Spain (#23)
	    • 100 Best Workplaces in Europe

Preconditions	• **Awareness Creation**: Starbucks emphasizes partner awareness of safety standards and any potential risks in the work environment. Starbucks reinforce company-wide awareness of safety standards through training, safe work procedures, regular communication, inspections and audits. • **Health and Wellness:** Advocated for transparency in health care costs and quality, to ensure consumers /stakeholders can make informed health care choices. Starbucks advocacy and other efforts in this area are described below.
Planet	• **Environmental Leadership**: In the growing and/or processing of coffee, measures has been taken in place to manage waste, protect water quality, conserve water and energy use, preserve biodiversity and reduce agrochemical use. • **Awareness**: While Starbucks have been working to "green" their own operations, Starbucks have also sought to involve business partners. With the help of 3Degrees, Starbucks launched a website encouraging our partners to calculate their own carbon footprints, and offering them the chance to offset their impacts by purchasing RECs through 3Degrees.

Dynamism	• To continue the improvement of the Mission Review process, Starbucks plan to focus on two key areas in fiscal 2008
	    • Responding to partner submissions more quickly, while • encouraging even more substantive, personal responses.
	    • Improving visibility of the ideas expressed through Mission
	    • Review so that all levels of the business can benefit from internal and external thinking.

Agility	• Seattle Cultural Immersion Experience, a program designed to enrich Starbucks international partners' understanding of Starbucks culture, mission, values, Guiding Principles and coffee knowledge. This experience was redesigned in 2007 and has helped partners convey the Starbucks culture within their market and build enthusiastic partners around the globe.
Innovation	• Engagement: Starbucks offer a 10-cent discount in the U.S. and Canada to encourage customers to use their own "commuter" mugs for their beverages to contribute in reducing their environmental impacts. As a result, customers had increased their use of commuter mugs for their beverages to nearly 20 million times during fiscal 2007.
Reinvention	• Starbucks and the Earthwatch Institute's traditional environmental expeditions were revamped with a new program that enables partners and customers to work with scientists and farmers of the CoopeTarrazú cooperative in Costa Rica, a coffee farm that Starbucks buys from.

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BP p.l.c., previously known as **British Petroleum** but now using only the initials, is the world's third largest global <u>energy</u> <u>company</u>, a multinational oil company ("oil major") with headquarters in <u>London</u>. BP p.l.c. (BP) is a holding company. The Company three business segments: Exploration and Production, Refining and Marketing and Gas, Power and Renewables. Exploration and Production's activities include oil and natural gas exploration, development and production (upstream activities), together with related pipeline, transportation and processing activities (midstream activities). The activities of Refining and Marketing include the supply and trading, refining, marketing and transportation of crude oil, petroleum and chemicals products. Gas, Power and Renewables activities included marketing and trading of gas and power, marketing of Liquefied Natural Gas (LNG), natural gas liquids (NGLs) and low-carbon power generation through its Alternative Energy business. BP is the one making the most noise about alternative sources of energy, cleaner fuels and carbon footprints: Having now scaled up its innovative internal emissions trading system, the company has also invested in CO_2 capture and storage through subsurface sequestration in Algeria and is pushing its first decarbonised gas to hydrogen plant in Scotland

BP Defined its social responsibility in order to counter the negative perception that the public had over oil companies. The PR campaign used was to "help BP transcend the oil sector, deliver top-line growth, and define the company as innovative, progressive, environmentally responsible…" To achieve that goal BP needed to be a company "that confronts such difficult issues as the conflict between energy and environmental needs and takes actions beyond what is expected of an oil company".

Despite the various challenges that BP has encountered during its CSR advocacy campaign or afterwards, the analysis in *Table 2* does however indicate that not only has BP managed to realign its business radically to give it a more positive brand perception but CSR has enabled BP to re-energise its strategic thinking and to draw significant benefits and excellent performance outcomes.

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Table 2: CSR Best Practices at BP

Area	Evidence[5][6]
Care	• **Safety**: Total workforce (employees and contractors), reported recordable injury frequency (RIF) in 2007 was 0.48 per 200,000 hours worked, the same as that for 2006 and our days away from work case frequency was 0.075 compared with 0.085 in 2006. BP annually benchmarks these safety performance indicators against its peers through industry associations and other groups. • **Incident Rates**: BP invested $6 billion in 2007 to renew their assets and to minimize the risk of major incidents. They also took steps to strengthen management of process safety and enhance the skills of relevant operational staff, from executive to plant level. • **Leadership Development**: BP had launched the Managing Essentials programme for managers, designed to enhance leadership development and drive continuous improvement in performance. They also restructured career advancement programmes for high-potential individuals.
Concern	• **Quality**: BP products represent quality, based on a foundation of excellence in safe and reliable manufacturing operations. • **Stakeholders Involvement**: Hosts regular meetings with investors on social and environmental issues, led by BP chairman or senior management. Non-financial subjects covered in 2007 included safety, integrity of plant and low-carbon technologies, including the development of biofuels business. • **Suppliers Engagement: BP** engages with suppliers in a variety of ways, including review meetings to identify mutual improvements in performance.
Competition	• **Benchmarking**: BP promote good practice for environmental management and practice the sharing of ERNP with industry partners through a benchmarking group, and at site level with regulators and business partners. BP continues to share information on the ERNP with non-governmental organizations who were involved in their development.
Compliance	• **Code of Conduct**: BP continued to promote a culture of ethical behaviour and compliance with laws, regulations and BP's code of conduct. Setup of independent confidential helpline, OpenTalk, which provides a means to raise any concerns over compliance and ethics, handled 975 cases (in 2007). • **Environmental management systems:** Twelve of BP largest operations had begun implementation of the new operating management system (OMS), which integrates and strengthens existing safety and environmental management systems. The aim is to have commenced use of the OMS throughout BP by the end of 2010, consolidating our drive for continuous improvement. • **Practice of Ethics and Compliance**: BP has 144 compliance and ethics leader (CELs) to embed the compliance and ethics programmed in the businesses. In their work with BP's businesses during 2007, the CELs and the central com0pliance and ethnics teams focused on how compliance is built into risk management processes.
Compassion	• **Community Investment**: BP continue to invest in education, from school-based projects to university research and develop work with local suppliers and businesses, including planning to standardize the way they screen the human rights records of suppliers. They also continue to explore ways of using our capabilities to meet the energy needs of low-income customer and intend to remain active participants in the Extractive Industries Transparency Initiative and Voluntary Initiative on Human Rights and Security. • **Alternative Energy:** BP Alternative Energy plans to invest around $8 billion over 10 years in alternative and renewable energy technologies. It intends to invest $1.5 billion in 2008. BP plan to continue advocating for action to reduce GHG emissions as well as providing low-carbon energy. In 2008, BP plan to invest $1.5 billion in alternative and renewable energy technologies. • **Carbon Footprint:** BP aim to have built 1,000MW of gross installed wind capacity by the end of 2008 and to grow solar sales to 800MW in the coming years Plans to progress for hydrogen power plants with carbon capture and storage including a major project in Abu Dhabi. BP Bioethanol plant in the UK is due to be commissioned in 2010 and will continue working with the Round Table for Sustainable Biofuels to develop standards for sustainable biofuels.
Purposefulness	• Sustainability: BP define 'sustainability' as the capacity to endure as a group: by renewing assets; creating and delivering better products and services that meet the evolving needs of society; attracting successive generations of employees; contributing to a sustainable environment; and retaining the trust and support of our customers, shareholders and the communities in which BP operate.
Practice	• BP's core group value is to seek to drive down the environmental impact of its operations by reducing waste, emissions and discharges and by using energy efficiently. In 2006, BP had brought together in a new group practice called environmental requirements for new projects (ERNP) aims to ensure that they design, build and operate all their new projects to consistent and high environmental standards. • **Supplier Ethics**: BP's make sure the suppliers are complying to legal requirements and where possible contract include a requirement to act consistently with the code of conduct when working on BP behalf.

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People	• BP uses a variety of methods to help employee to develop their capabilities throughout their careers – from e-learning coursework through to international assignments. The Discover BP programme offers those who are newly hired into the organization an overview of the group, how it works and how they can contribute to the business quickly. • BP foster an inclusive work environment, offering opportunities for all, based on merit and emphasize equal opportunity and diversity and inclusion (D&I) in human resources (HR) processes.
Partnerships	• BP help to improve access to energy through business development opportunities or community investment, in partnership with host governments, the private sector, NGOs and international aid agencies. • **Joint Venture**: BP have provided support to TNK-BP in its priority environmental areas of improving facilities and pipeline integrity, investing in programmes to reduce gas flaring and remediating its legacy of polluted land. They have also assisted with the development of the joint venture's environmental standards by sharing BP's ERNP and advised on minimizing the impact of operations in environmentally-sensitive areas.
Performance	• BP participated in relevant policy developments, such as the Extractive Industry Transparency Initiative, and we also fund research to support better management of resource revenues. As a result, the exploration and production projects generate significant tax revenues for governments and have the potential to distort local and national economies. • With BP global supply chains worth more than $40 billion per year in non-hydrocarbon expenditure, BP had make an important contribution to host countries and communities by encouraging local enterprise. BP choice of local suppliers had created much-needed jobs, wealth and stability. • The Sustainable Agriculture Water Management Project (SAWMP), valued at more than $16 million and which received a commendation in BP's 2006 group internal awards programme, is helping to improve access to water in the 'dry zones' of Sri Lanka.
Preconditions	• **BP** code of conduct represents BP's commitment to integrity, defining what is expected of every BP employee in five areas: health, safety, security and the environment; employees; business partners; governments and communities; and company assets and financial integrity. • BP industry had make a valuable contribution in many ways: through tax revenues generated and paid to governments; by investing in education and training and improving employment opportunities for nationals; by promoting revenue transparency in the extractive industries; and by providing affordable energy products to rural communities.

Planet	• Develop a leading low-carbon energy business across the value chain
	   o Access cost-competitive supply
	   o Capture distinctive world-scale gas market positions by accessing key pieces of infrastructure.
	   o Expand gross margin by providing distinctive products and services to selected customer segments and optimizing the gas and power value chains.

Dynamism	BP has developed plans to ensure that they have the right number of people with the right mix of skills. The management of people is founded on unchanging principles, which include treating employees fairly; promoting diversity and inclusion; making expectations clear; providing open feedback; and ensuring compliance with laws, regulations and code of conduct.
Agility	• **Prioritization**: BP rolled out a new compliance risk management programme, which includes questionnaires used by teams to identify the specific points on which they need to comply with laws, regulations and the code of conduct that include a tool that teams can use to prioritize the risks they face and focus on mitigating them.
Innovation	• Following intensive market research, BP had developed an energy solution for cooking that gives consumers the option to use LPG, biomass or both. This cooking solution also uses a stove that is safer, more efficient and cleaner than traditional wood-burning methods. • BP solar business continues to promote and develop solar energy as a source of power for rural communities, with potential to improve the quality of life by providing energy for lighting, refrigeration and to pump water
Reinvention	• BP developed a strategic approach to local supply chain development, linking to the needs of their different businesses and driven by the individual features of local markets. Consequently, BP had redeveloped and redesigned tools and processes to improve supplier selection, development and performance management in emerging economies.

SUMMARY

- This is not the right time to perhaps say what is beyond CSR. As we continue to explore and dedicate more effort in understanding the meaningfulness of CSR and its impact on businesses, both in the short and long term, it is however, useful to

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present some of the concluding arguments that legitimise the importance of CSR in creating sustainability, but also in supporting the growth and development of businesses in a transparent and well informed manner. Perhaps, as a baseline argument it is important to highlight that for businesses to move from survivability to sustainability they have to create a new mindset which helps them move from reactive to what is referred to as receptive, and ultimately to a constructive and proactive argument, where CSR is a core element of driving sustainable performance.

- In addition, it is perhaps important to look at sustainability in a proactive manner by enriching the visioning process so that it drives the value chain with CSR as a catalyst, rather than looking at CSR as an outcome of creating value for the key stakeholders.

- It is also important that the practice of CSR has to be strongly correlated to the sustainability argument. In other words, whether it is to do with geography, community based projects, or environmentally based initiatives in the form of the Triple Bottom Line; organisations must tangibly measure the outcomes that CSR initiatives and investment give in terms of supporting value, growth, development and sustainability in its various formats.

- The pursuit of sustainability cannot be embraced as a bolt-on element. The best approach for businesses seeking to remain and exist for the long term is perhaps to re-visit their purposefulness and explore the values for which they have existed hitherto. Unless the values that they wish to espouse and inculcate throughout the organisation are supportive of a long term, sustainable argument, then the blockage will always exist and the incompatibility will always remain as a challenge.

Lastly, something that others refer to as sustainability entrepreneurship. This means that businesses must create tenability in the form of their organisational DNA right from the beginning, and examples always quoted are: Body Shop, for instance, Ben and Gerry amongst others. This means that the glue referred to earlier in the proposed model, must dictate what the sustainability entrepreneurship design would look like, and this will be the key driver for building long term pursuits of value, vision, generation, and sustainable achievements.

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