

# ENGAGE SECTORIAL CSR-KIT FOR EMPLOYERS, MANAGERS AND STAKEHOLDERS

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Economic sector **VET**



# KIT Overview



## ENGAGE CSR-KIT ON VET

- This kit, tailored to the VET organisations, aims to provide robust, useful and practical training materials to help the development of knowledge about the various dimensions of CSR and, at the same time, promote a CSR approach, as well as to boost the learning about how to build, implement and use effectively CSR principles, policies and programmes inside own organisation.

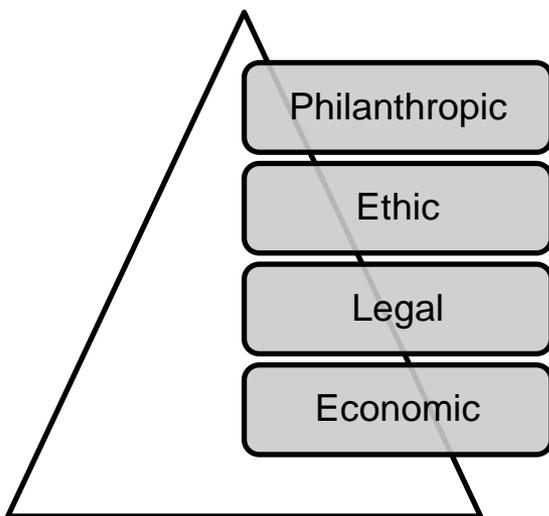
- It contains practical hand-outs, such as informative contents, reflective questions, workouts, case studies, good practices, didactical resources, check list, key-messages, useful online resources, reading suggestions, European and country references.

## TARGET-GROUPS

- Employers.
- Programmes managers and other pedagogical staff.
- CSR practitioners.
- Stakeholders.
- Other professionals interested on CSR topics, including trainers, coaches, consultants.



# Introduction to CSR



*Carroll's CSR pyramid*

## Areas of CSR

•“Most definitions of corporate social responsibility describe it as a concept whereby organisations integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis.”

<http://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52001DC0366>

## Key-elements of CSR

- The “Key-elements of CSR” according to the European Sustainable Development Network (ESDN) include:
  - The integration of CSR is voluntarily. With CSR, VET organisations commit to act in according to overall goals of society.
  - CSR is developed (and therefore depends) on the relationship between VET activity and society. Its concept considers political, institutional, cultural and environmental aspects.
  - CSR includes organisations compliance to specific laws or regulations.
  - There is a controversy of profit and CSR, respectively regarding making profit out of CSR.

# Introduction to CSR

*Ted Talk on CSR:*

*Tony Prophet: Business social responsibility (TEDxSantaCatalinaSchool):*

[www.youtube.com/watch?v=jeTyeY8siH4](http://www.youtube.com/watch?v=jeTyeY8siH4)

*Further link to EC CSR:*

[www.sd-network.eu/quarterly%20reports/report%20files/pdf/2011-December-The New Communication of the EU Commission on CSR and National CSR strategies.pdf](http://www.sd-network.eu/quarterly%20reports/report%20files/pdf/2011-December-The%20New%20Communication%20of%20the%20EU%20Commission%20on%20CSR%20and%20National%20CSR%20strategies.pdf)

## Definition of CSR by the European Commission

•The EC defines CSR as the responsibility of organisations for their impacts on society. The Commission encourages that organisations “should have in place a process to integrate social, environmental, ethical human rights and consumer concerns into their business operations and core strategy in close collaboration with their stakeholders”.

[http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/index_en.htm)

## Important references on CSR

- The United Nations Global Compact (2000).
- The Green paper for promoting a European framework for Corporate Social Responsibility by the EC (2001).
- OECD Guidelines for multinational enterprises (2008) (Recommendations of principles and standards for responsible business conduct).
- Communication. A new strategy of the EU 2011-14 on Corporate Social Responsibility (2011).

# Introduction to CSR

*The Principles for Responsible Management Education (PRME), launched at the 2007 Global Compact Leaders Summit in Geneva, provide an engagement framework to advance corporate social responsibility through the incorporation of universal values into curricula and research.*

[www.unprme.org](http://www.unprme.org)

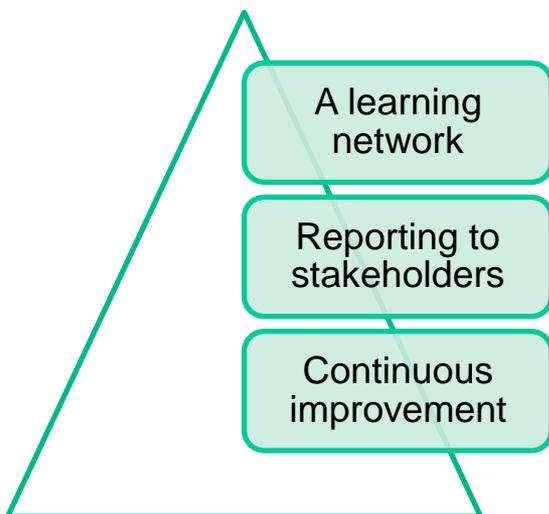
## CSR in Education

• In education, institutions can adapt and implement a set of Principles for Responsible Management Education (PRME) focus on CSR, starting with those that are more relevant to their capacities and mission. Progress should be reported to all our stakeholders and exchange effective practices related to these principles with other educational institutions.

### 6 PRME:

- **Principle 1 - Purpose:** to develop the capabilities of learners to be future generators of sustainable value for business and society at large and to work for an inclusive and sustainable global economy.
- **Principle 2 - Values:** to incorporate into academic activities and curricula the values of global social responsibility.
- **Principle 3 - Method:** to create educational frameworks, materials, processes and environments that enable effective learning experiences for responsible leadership.

## Introduction to CSR



*PRME Engagement Model*

- **Principle 4 - Research:** to engage in conceptual and empirical research that advances the understanding about the role, dynamics, and impact of organisations in the creation of sustainable social, environmental and economic value.
- **Principle 5 - Partnership:** to interact with managers of business corporations to extend the knowledge of their challenges in meeting social and environmental responsibilities and to explore jointly effective approaches to meeting these challenges.
- **Principle 6 - Dialogue:** to facilitate and support dialogue and debate among educators, business, government, consumers, media, civil society organizations and other interested groups and stakeholders on critical issues related

# Ethics and Transparency

*By adhering to the principles of ethics, honesty, mutual respect, trust, integrity, transparency in business, fighting the traffic of influence and offering or receiving bribes and corruption in public and private sphere. Promoting fair trade and privacy rights of the client.*

## Areas of VET business ethics

- According to the 10 principles of the United Nations Global Compact, businesses` guidelines and actions have to take into consideration the following areas in order to follow an ethic code in any sector of activity:
  - **Human rights:** VET businesses should adhere to (international declared) human rights.
  - **Labour:** VET businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. They refuse all forms of forced and compulsory labour, as well as child labour and stand for anti-discrimination policy in respect of employment and occupation.
  - **Environment:** VET businesses should have a conscious approach with the environment by promoting eco-technologies and sustainable measures.
  - **Anti-corruption:** VET businesses should oppose against corruption in all its forms, including extortion and bribery.

# Ethics and Transparency

*VET organisations work often with freelancers. Freelancer should have a code of conduct and has an obligation to run its business in accordance with all applicable rules, regulations and laws.*

*Further reading:*

<https://www.freelancer.com/info/codeofconduct.php>

## Strategy to include ethics in VET businesses

- First of all, to include a business ethics strategy, the business and its strategy have to observe and respect the law.
- Verify if it is possible to implement a business ethics strategy in the current organisational structure (otherwise the structures have to be modified).
- The strategy is built on business specific values. The strategy reflects the goal and mission statement of the business, its culture and everyday practice.
- The strategy reflects the business` value on internal and external level.
- It is based on principles and codes of conduct, which are internalised and respected, not on rules by which has to be played.
- Participation, encouragement and ethics training of employees are parts of the strategy.
- Transparency in form of reporting and communication with stakeholders reflects the external impact of the strategy.
- The strategy takes into consideration options of dealing with ethical issues.

# Ethics and Transparency

CSR Europe provides a self-assessment questionnaire, which is available at:

[www.csreurope.org/sites/default/files/CSR%20SAQ%20automotive%20sector.pdf](http://www.csreurope.org/sites/default/files/CSR%20SAQ%20automotive%20sector.pdf)

## Evaluation

- An evaluation can measure the quality and effectiveness of the organisation's business ethics strategy, its strengths and weaknesses as well as its impact. Experts suggest to implement a standard ethics performance evaluation at the end of every year and to create a strategic plan ethics checklist for the coming year. The ethics performance evaluation would look at the organisation's performance, e.g. regarding transparency, in view of its principles.

## Key-aspects for planning a business ethics strategy

- The strategy includes a clear definition of the purpose.
- The strategy is adapted to new legal regulations.
- The strategy takes into consideration new or different elements.
- The strategy considers ethical differences in work with other organisations.
- The strategy assures appropriate rewards structures.
- The strategy includes required changes in particular parts of the organisation (e.g. structure, staff development)
- The strategy includes different kinds of measurements.

# Ethics and Transparency

## Benefits of CSR reporting

- *Builds trust*
- *Competitive advantage*
- *Improved processes and systems*
- *Progressing vision and strategy*
- *Reducing compliance costs*

[http://www.slideshare.net/LiaHuisman/csr-report-2014-digital-45464853?next\\_slideshow=1](http://www.slideshare.net/LiaHuisman/csr-report-2014-digital-45464853?next_slideshow=1)

## Reporting

- **Planning:** the first step of the reporting process. In this phase, a reporting team is selected to consider appropriate topics and criteria for the report. The team agrees on how this information should be transformed (sustainability report as part of annual report or individual report). To guarantee internal transparency, the employees are informed.
- **Stakeholder engagement:** to collect add valuable information by giving their feedback on the relevance of the internal agreed topics of the report.
- **Review and assessment:** the process of the first selection of topics, the consultation of stakeholders and review of the reporting team result in a definition of relevant topics on sustainability. For these the reporting team assesses the related impacts, which may occur within and/or outside the organisation (e.g. suppliers, distributors or emissions).
- **Collection:** in this phase, relevant information is gathered and analysed for the content and performance of the report.

# Ethics and Transparency

*Education is a fundamental human right and a major driver of human and economic development. It strengthens personal integrity and shapes the societies in which we live. Since education typically comprises 20-30 per cent of a country's budget, it is critically prone to corruption, from national education ministries to local schools and universities.*

<https://www.transparency.org/topic/detail/education/>

## Transparency rules on social responsibility

- In 2013, the directive 2013/34/EU was developed and incorporates measures that are aimed at strengthening the organisation's transparency and accountability, while limiting any undue administrative burden, and ensuring a level playing field across the EU. The directive has to be implemented into national law by the member states in 2017.
- The directive targets “public entities” such as banks, insurance companies or other entities that are of public interest due to their type or size of business. The directive targets businesses with over 500 employees, there for SME are not concerned by these regulations.
- The directive regarding aspects such as age, gender, educational and professional background. The diversity policy addresses administrative, management and supervisory bodies and has to be added in the corporate governance statement.
- For 2018 a country reporting system on taxes is planned for each member state and third country in which they operate. The reports will contain information on profits made, taxes paid on profits and public subsidies received. The report will take into account developments to increase transparency in financial reporting carried out at international level.

# Fundamental Human Rights

*Fully respecting the protection of fundamental human rights based on the Universal Declaration of Human Rights and incorporating into their practices, the principles of the Fundamental Conventions of the International Labour Organisations.*

## Why should organisations care about human rights?

•“The responsibility to respect human rights requires that organisations (a) avoid causing or contributing to adverse human rights impacts through their own activities, and address such impacts when they occur; and (b) seek to prevent or mitigate adverse human rights impacts that are directly linked to their operations, products or services by their business relationships, even if they have not contributed to those impacts.”

[www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR\\_EN.pdf](http://www.ohchr.org/Documents/Publications/GuidingPrinciplesBusinessHR_EN.pdf)

- Organisations may be involved with adverse human rights impacts either through their own activities or as a result of their business relationships with other parties.
- Not respecting human rights poses a number of risks and costs for business including putting the organisation’s social license to operate at risk, reputational damage, consumer boycotts, exposure to legal liability and adverse government action, adverse action by investors and business partners, reduced productivity and morale of employees.

# Fundamental Human Rights

*How to Develop a Human Rights Policy?*  
[www.unglobalcompact.org/docs/issues\\_doc/human\\_rights/Resources/HR\\_Policy\\_Guide\\_2nd\\_Edition.pdf](http://www.unglobalcompact.org/docs/issues_doc/human_rights/Resources/HR_Policy_Guide_2nd_Edition.pdf)



## Towards a human rights policy?

- Organisations are advised by international United Nations regulations to develop a human rights policy internally. The human rights policy sets out how the organisation respects human rights by having policies and processes in place to identify, prevent, mitigate and account for how it addresses its adverse human rights impacts, specially:
  - To provide a basis for embedding the responsibility to respect through all business functions.
  - To respond to relevant stakeholder expectations.
  - To identify policy gaps and initiate a process that alerts the company to new areas of human rights risk.
  - To elaborate on the company's commitment to support human rights.
  - To build increased trust with external stakeholders and to start to understand and address their concerns.
  - To foster the development of in-house learning, management capacity and leadership on human rights issues.
  - To demonstrate international good business practice.

# Fundamental Human Rights

*Human Rights Translated - A Business Reference Guide, developed by Office of the High Commissioner for Human Rights:*

[www.unglobalcompact.org/docs/news\\_events/8.1/human\\_rights\\_translated.pdf](http://www.unglobalcompact.org/docs/news_events/8.1/human_rights_translated.pdf)

*Corporate Responsibility for Human Rights: A critical analysis of the OECD Guidelines for Multinational Companies:*

[https://mneguidelines.oecd.org/MNEguidelines\\_RBCmatters.pdf](https://mneguidelines.oecd.org/MNEguidelines_RBCmatters.pdf)

## Global standards and benchmarks on human rights dimension

- After launching the 10 principles of the United National Global Compact on July 2000, CSR stakeholders started to describe human rights issue by using the following principles:
  - **Principle 1:** Businesses should support and respect the protection of internationally proclaimed human rights.
  - **Principle 2:** make sure that they are not complicit in human rights abuses.
  
- Human rights is also part of ISO26000 and it concerns the following areas:
  - Due diligence.
  - Human rights risk situations.
  - Avoidance of complicity.
  - Resolving grievances.
  - Discrimination and vulnerable groups.
  - Civil and political rights.
  - Economic.
  - Social and cultural rights.
  - Fundamental principles and rights at work.

## Dialogue with Stakeholders

*Ensuring an open, transparent and trust with the various stakeholders, establishing channels of consultation and integration of their concerns. Reporting a credible and objective way the social, environmental and economic results. Promoting dialogue for further cooperation with new stakeholders.*

### General information on how to approach stakeholders

- Do you want to engage with stakeholders or not? This is no longer the question. Currently the question is “how”? The answers for successful engagement in a nutshell:
  - Start with identifying the major categories of stakeholders with which the organisation relates - employees, trainees, customers, suppliers, partners; educative institutions, local authorities; trainers’ and students associations, community, NGOs; shareholders, investors, financial institutions, etc.
  - Rate the stakeholders according to the impact they can have on the organisation and the degree of its impact.
  - Elaborate strategies based on previous steps and implement those mechanisms that enable to meet the expectations and know the opinion of stakeholders about the organisation.
  - Last but not least, report before the stakeholders, using appropriate language and communication channels.

# Dialogue with Stakeholders

*R. Edward Freeman is an American Philosopher and professor of business administration at the University of Virginia, particularly known for his work on stakeholder theory.*

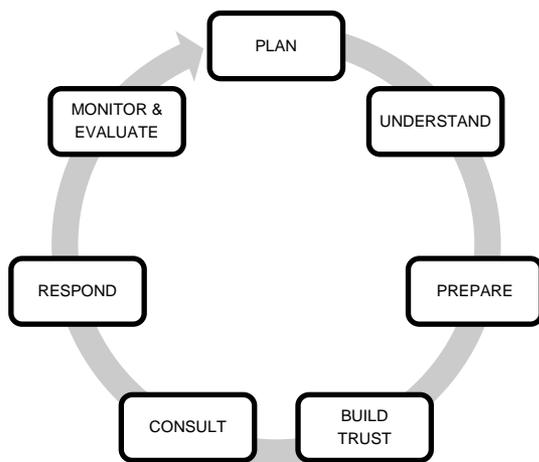
*Watch one of his lectures concerning dialogue with stakeholders on:*

[www.youtube.com/watch?v=x9cOBad9sWA](http://www.youtube.com/watch?v=x9cOBad9sWA)

## Still hesitating who are your stakeholders?

- Some descriptions to help identifying your stakeholders:
  - Anyone who affects or is affected by your organisation.
  - Those groups or persons who have a stake, a claim, or an interest in the operations and decisions of the organisation.
  - They supply resources that are critical to the success of the organisation or institution.
  - Stakeholders place something of value “at risk”, i.e. their own welfare is directly affected by your organisation.
  - Stakeholders have sufficient power to affect the performance of the organisation, either favourably or unfavourably.

# Dialogue with Stakeholders



*Neil Jeffery, Doughty Centre, Cranfield School of Management*

## Dialogue with stakeholders in 7 steps

1. **Plan:** planning the objectives and issues to address.
2. **Understand:** become aware of the stakeholders, get to know their interests, their wants and needs, what motivates them.
3. **Prepare:** preparing the organisation, its resources, its knowledge and capacity to work with the stakeholders.
4. **Build trust:** achieving a different level of trust with various stakeholders, knowledge of each sub-group and acceptance.
5. **Consult:** the most important and the most difficult one; the communication with the stakeholders must be open, honest, responsive, flexible.
6. **Respond:** responding to and implementing measures concerning the issues that have been discussed with stakeholders.
7. **Monitor and Evaluate:** the socially responsible organization periodically reports before stakeholders on the results.

# Dialogue with Stakeholders

AA1000 Stakeholder  
Engagement Standard  
[www.accountability21.net](http://www.accountability21.net)

Dow Jones Sustainability  
Index  
[www.sustainabilityindexes.com](http://www.sustainabilityindexes.com)

FTSE4Good Index Series  
[www.ftse.com/Indices/FTSE4Good\\_Index\\_Series/index.jsp](http://www.ftse.com/Indices/FTSE4Good_Index_Series/index.jsp)

GRI  
[www.globalreporting.org](http://www.globalreporting.org)

OECD – Guidelines  
[www.oecd.org](http://www.oecd.org)

SA 1000

## International standards for stakeholder engagement

- **AA1000 Stakeholder Engagement Standard:** managed by the NGO Accountability, an open-source framework.
- **Dow Jones Sustainability Index:** sets standards for corporate governance and stakeholder engagement.
- **FTSE4Good Index Series:** a series of benchmark and indices for socially responsible investors.
- **Global Reporting Initiative (GRI):** a set of social, economic, environmental, and governance indicators, including stakeholders engagement.
- **Organisation for Economic Cooperation and Development (OECD) Guidelines:** promotes consultation with employees and with the communities.
- **SA 1000:** a voluntary third-party certification standard developed by Social Accountability International (SAI).
- **UN Global Compact:** commits companies to support and respect internationally recognised human rights, labour and environmental standards.

## Value Creation

*Promoting a high level of management quality of products and services and processes by integrating environmental and social aspects in planning and decision making; and investing in research, development and innovation.*

### The added value of CSR

- There are some understandings on how CSR plays as a modern approach for value creation.
- CSR and value creation are not diametrically opposed, it is rather unclear how the demands and expectations of different stakeholders can be included in organisational decisions. For this to be clarified one must have some insight in the economical consequences, or, in terms of value-based management: one needs to obtain insight into the value creating potential of CSR.
- Visible CSR activities enhance the organisation's reputation, which is a specially important intangible asset in educational institutions in general, including VET providers.
- Increased reputation not only will attract potential learners, but also high skilled trainers/teachers and other educational staff.
- It also provides leverage for managing stakeholders and creates a significant competitive advantage.

# Value Creation

*CSR can act as a source of good and a wellspring of innovation, competitive advantage and value creation*

*But how can organisations unleash this innovative potential?*

*Are there specific ways to ensure that CSR aligns with organisation's strategy and creates value?*

*Bryan Husted & David Allen  
Social Responsibility and Value Creation*

## A comparison of traditional CSR, strategic CSR and traditional strategy

STRATEGIC DIMENSIONS	Traditional CSR	Traditional strategy	Strategic CSR
<b>Visibility</b>	Irrelevant: doing good is its own reward and is profitable in the long run.	Build customer awareness of product/service and brand.	Building customer and stakeholder awareness of product/service with CSR value added.
<b>Appropriability</b>	Irrelevant: doing good is its own reward and is profitable in the long run.	Manage supplier, customer and competitor relations to capture value added.	Manage stakeholder relations to capture value added.
<b>Voluntarism</b>	Participate in social action beyond that demanded by interests and law.	Organisation's innovation based on ability to learn.	Participate in social action beyond that demanded by law.
<b>Centrality</b>	Irrelevant: doing good is tied to social need and not to core business mission.	Create value via product/service innovation.	Create value via product/service innovation linked to social issues.
<b>Proactivity</b>	Anticipate changes in social issues.	First-mover advantage.	Anticipate changes in social issues that present market opportunities.

# Value Creation



## Approaches to the value creation

- **Community-based development:** focuses on local communities that organisations can better work with them. Flower Valley in the South Africa, established by Shell Foundation, is a sample of this approach –they launched an Early Learning Centre to help to train the community's children and likewise to grow new skills for the adults.
- **Integrating CSR into the organisational strategy:** it creates a fair trade for players of the business field such as buyers and suppliers. For example, procure of Fair Trade tea and coffee has been selected through different organisations including the multinational KPMG.
- **Creating share value (CSV):** the basis of this approach is an idea that organisation's success and social welfare are interdependent. According to it, some factors such as healthy educated workforce, sustainable tangible and intangible resources and adept government are needed to compete effectively.

# Human Resource Management

*Reinforcing management systems to ensure health, safety and welfare of employees. Promoting the development of individual skills. Rewarding excellence and merit.*

*Rejecting abusive and discriminatory practices.*

*Committing to assured equal opportunities.*

## Why implementing a CSR strategy on human resources?

- From the point of view of the social impacts it contributes to:
  - The compliance with Human Rights.
  - Equal opportunities assurance.
  - Fair, safe and comfortable working environments.
  - Increased employability of workers.
  - Engaged and empowered workforce.
  - Balanced personal and family /work life for employees.
- From the point of view of business benefits, a responsible HR management :
  - Avoids losing talented employees or candidates due to discrimination, prejudice or lack of adaptation to personal circumstances.
  - Increases organizations' reputation and gains strong brand supporters and prescribers on its employees.
  - Gains a well trained and motivated workforce adapted to the organisation needs.
  - Boosts the employees commitment with CSR values.

# Human Resource Management



## Transparent, fair and non-discriminatory recruiting

• Recruiting is the first step to build up the VET organisation's workforce. In order to choose the best candidate and guarantee equal opportunities, recruiting processes have to be transparent, widely disseminated, preventing any type of discrimination and respectful to candidates. Some clues for each phase of the process:

- **Job position description:** once a vacant is found, a clear description of functions and skills required will make the process transparent and reliable.
- **Recruiting process definition:** the process can not be let to improvisation or intuition. Clear definition avoids recruitment based on topics and/or prejudices. All candidates know what to expect and follow the same steps.
- **Neutral job offer:** the language used should not suggest exclusion of candidates for reasons other than qualifications, skills and/or experience (e.g. gender, age). An equality statement could be added.
- **Recruiting process and hiring:** according to the planning, with respect of individual rights, giving transparent information and feedback to candidates.

# Human Resource Management

*Linda Wirth argued in her now classical essay (2001) that women systematically crash against a “grass ceiling”, a set of invisible limitations that prevent women to continue their career development beyond a certain point; obstacles that are still remaining in modern societies after more evident discrimination barriers have been overcome.*

## Equitable, fair and transparent wage policies

- The organisation’s retributory system is “the set of procedures that tend to establish or maintain equitable and fair salary structures” (Chiavenato, 2000).
- Organisations must give an individual value to each position and balance salaries according to both other positions inside the organisation (internal equity) and the same positions in other organisations (external equity).
- Very often salary discrimination is hidden behind unfair and unequal supplementary benefits. Clear rules in this field help to address the issue.
- Disclosure of internal salaries may led to increased motivation; when unknown, colleagues’/managers’ salary is usually guessed greater than actually is.

## Career management

- As for salary, clear and well established mechanisms for internal promotion may encourage career progression, motivation and equal opportunities. Conditions for professional development should take into account work/life balance, and take steps against the “glass ceiling” for women.

# Human Resource Management

*This well-known quote among the business sector reflects perfectly the importance of training inside organisations:*

*Two managers are talking about training their employees. The first one asks, "Yeah, but what if we train them, and they just leave?" The second responds, "What if we don't train them, and they stay?"*

## Training for development of skills and employability

- In order to grow and being competitive and profitable, organisations need to establish training plans, consistent and in appropriate to how its environment is evolving.
- Also employees need training, in order to maintain its job position, being able to achieve higher job positions –the possibility of doing it just because of long service has virtually disappeared- and because it is necessary for being effective and is an exigency from the environment.

## Work/life balance

Employees have responsibilities other than work, such as taking care of dependant family members (e.g. children, elder), management of the house (e.g. housework, reparations), among others. Furthermore, they need personal time to take care of themselves, engage in their community and/or achieve personal projects (e.g. studying, sports, community service). Some of these responsibilities can not fit in strict time schedules, usually marked arbitrarily by the employer. Responsible organisations can help their employees by allowing, for example, flexible work time .

# Human Resource Management

*Preventing and addressing sexual harassment in companies:*

<https://youtu.be/EAXu68ZIQwQ>

## Fair, safe, healthy, comfortable work environment

- Health, safety and environment (HSE) policy in work places can be guaranteed by respecting the legal requirements, and further measures, in order to identify risks implied in the work activities, the necessary prevention and protection measures, promote the engagement of employers on HSE policies and assure training for employees. Also HSE representatives should be elected or chosen, with enough credit hours.
- Comfortable work environment goes further hygienic or ergonomic measures. Psychological and social risks need to be addressed. Some of the important directions that are necessary to prevent these risks are:
  - Employees motivation and engagement procedures.
  - Well trained managers that have gained relevant skills for team management, such as motivate workers, solve conflicts, etc.
  - Clear, well implemented and disseminated protocols for preventing and acting against any type of harassment, including sexual harassment, gender based or based on sexual orientation.

# Diversity and Equality

*Respecting and valuing differences as a fundamental condition for the existence of an ethical relationship and the development of humanity, trying to stimulate the promotion of cultural diversity, social and ethnic difference as a positive development of the organisation mission, not tolerating discrimination.*

## Diversity management and non-discrimination

- Diversity management comprises equal treatment, integration and corporate non-discrimination guidelines. Its purpose is to emphasise the individual diversity of the employees in a positive way and to utilise it for added value and competitive advantages within an institution.
- Thus, diversity management supports the thesis that a diverse workforce is more successful than employees with a homogeneous background.
- With respect to discrimination at the workplace, organisations in the European Union can also be legally prosecuted.
- In the practice, diversity management is considered an organisational-internal characteristic of CSR, mainly in larger organisations.

# Diversity and Equality



## Diversity management to create equal opportunities

- But the purpose of diversity management is not only to prevent discrimination within the organisation and to create equal opportunities.
- Companies also use diversity management strategically to generate economic advantages.
- In terms of sales markets and customer relationships, the diversity of the workforce can make it possible to address specifically new customer groups with a migratory background (ethno-marketing) or represent competitive advantages thanks to the retention of customers by providing a range of multilingual services.

# Diversity and Equality



## Diversity management to prevent conflicts

- Within the organisation, diversity management also helps resolve and prevent conflicts which may have a positive impact on the corporate climate.
- Workplace conflict is bound to happen in a diverse workplace. Conflict is bound to occur, simply based on differences based on culture, generation, personality and work style. Whether conflict occurs between employees or between employees and their supervisor, it must be resolved to preserve working relationships as well as the organisation's productivity and profitability.
- Proactive measures alone aren't enough to handle diversity conflict in the workplace. Implementing a combination of preventive measures and reactive steps will ensure that you cover all bases whenever diversity conflict occurs. Train your staff to respect differences throughout the workforce and use conflict resolution techniques once you discover incidents likely caused by workplace diversity.

# Environmental Protection and Management

*Promoting initiatives that contribute to the environment. Investing in technologies and sustainable products and appreciate the ecological dimension. Expanding the use of environmental criteria. Preventing and minimizing the risk of environmental impact. Monitoring indicators.*

## The environmental aspect of CSR

- Traditionally, environmental protection has been considered to be “in the public interest” and external to private life. Governments have assumed principal responsibility for assuring environmental management, and have focused on creating and preserving a safe environment. They have directed the private sector to adopt environmentally sound behaviour through regulations, sanctions and occasionally, incentives.
- However, the roles of sectors have been changing, with the private sector becoming an active partner in environmental protection. Many governments and businesses have been realising that environmental protection and economic growth are not always in conflict.
- The environmental aspect of CSR is defined as the duty to cover the environmental implications of the organisation’s operations, products and facilities; eliminate waste and emissions; maximize the efficiency and productivity of its resources; and minimize practices that might adversely affect the enjoyment of the resources by future generations.

# Environmental Protection and Management



## Steps to manage the impact on the environment

• Whatever the nature of the commitment, most organisations follow a similar series of steps when addressing their impact on the environment:

1. **Corporate environmental policy:** organisations committed to reducing their environmental impact usually create a set of environmental principles and standards, often including formal goals. At minimum, most such statements express an organisation's intentions to respect the environment in the design, production and distribution of its products and services; to commit the organisation to be in full compliance with all laws and go beyond compliance whenever possible; and establish an open-book policy whereby employees, community members and others can be informed of any potentially adverse effects the organisation might have on the environment.

# Environmental Protection and Management

*ISO 14000 provides practical tools for organisations of all kinds looking to manage their environmental responsibilities.*



## Steps to manage the impact on the environment

2. **Environmental audit:** before an organisation attempts to reduce its impact on the environment, it is essential that it first gains a full understanding of it. For most organisations, this usually involves some kind of environmental audit. The goal of audits is to understand the type and amount of resources used by an organisation, product line or facility, and the types of waste and emissions generated. Some organisations also try to quantify this data in monetary terms to understand the bottom-line impact. This also helps to set priorities as to how an organisation can get the greatest return on its efforts.
  
2. **Employee involvement:** an environmental policy needs to be embraced by employees throughout the organisation, not just those whose work is related to the environment. To do that, organisations engage in a variety of activities, especially education, to help employees understand the environmental impact of their jobs and to support their efforts to make positive changes.

# Environmental Protection and Management

## Steps to manage the impact on the environment

- 4. Green procurement:** to help ensure that their products/services and processes are environmentally responsible, many organisations seek to buy greener materials from their suppliers. Some organisations participate in buyers' groups in which they leverage their collective buying clout to push suppliers to consider alternative materials or processes.
- 5. Green products/services:** products/services themselves may be made more environmentally friendly, with regard to, for example, the control of emissions, noise, reduced health and safety risks, and reduced energy requirements.



## Development of Local Communities

*Supporting initiatives of social, economic and cultural promotion, based on transparent criteria for evaluation to community. Promoting participation and involvement in volunteer work. Developing strategies for cohesion and/or local territorial areas.*

### Standards for community involvement

- While the internal CSR dimension includes human resources management, health and safety at work, management of environmental impacts and natural resources, the external dimension is based on development of local communities.
- According to the International Corporation Performance Standards, organisations should have comprehensive guidance for the lifecycle of initiatives, hence to ensure responsible and sustainable performance by protecting local communities.
- Community involvement and development is an important element of ISO 26000 and it implies the following CSR directions: community involvement, education and culture, employment creation and skills development, health, income creation and social investment

## Development of Local Communities

Thomas Antonio, *The rise of social cooperatives in Italy:*  
<http://staging.community-wealth.org/sites/clone.community-wealth.org/files/downloads/article-thomas.pdf>



### Does the goal of community service require a particular ownership?

- Some organisations, particularly from the third-sector, tend to promote collective benefits as they are managed by stakeholders who are not only investors. While investors focus on the return on capital, these organisations promote other types of goals such as the return on work accomplished, the quality of goods produced and the community accessibility to these goods.
- Recent analyses that rely on the concept of “multiple stakeholder organisations” have suggested that a heterogeneous ownership to be a suitable method to achieve development of local communities. For example, social cooperatives have an advantage, since they can resort more easily to financial markets, have their roots in the territory and can thereby offer products/services more suited to the expectations of local population, can turn readily to more qualified human resources, possess greater working flexibility, and have a higher inclination for innovating services owing to competition from other types of organisations.

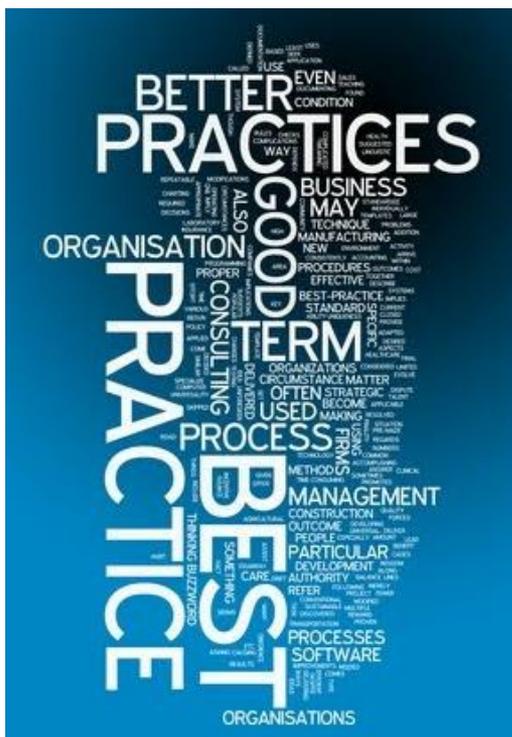
## Development of Local Communities

### Involve your organisation with the local community

- Working with your local community brings a wide range of benefits. For many businesses, local customers are an important source of sales. By improving your reputation, you may find it easier to recruit employees. A good relationship with local authorities can also make your business easier.
- There are many ways to get involved. Some businesses choose to support a local charity, or sponsor a local event. It makes commercial sense to get involved in an activity related to your product/service. This lets you use your expertise as well as showing the human face of your business. Look for opportunities that will directly benefit your business.
- Many businesses involve their employees in working with the local community, others encourage employees to volunteer for community activities and also give them paid time off for this. As well as improving your community relations, this can help motivate employees and can help develop their interpersonal and team participation skills.



## Good Practice 1



## INSTITUTE OF ENVIRONMENTAL ENGINEERING (APINI)

**Topic:** Environmental

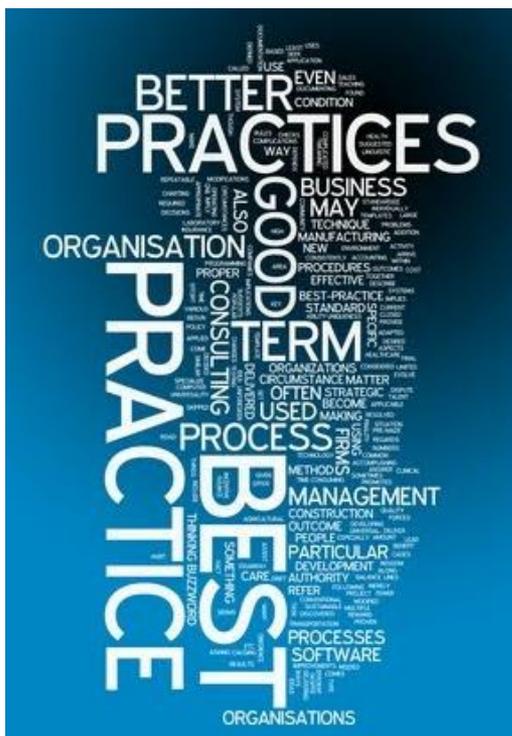
**Country:** Lithuania

**Website:** <http://ktu.edu/apini/en>

### Organisation

- APINI exists since 1991 as an independent research institute affiliated to Kaunas University of Technology.
- APINI gained attention on international level for their environmental research, but especially for their employee development, as they take part in international programmes and do research cooperation with other universities.
- Further, the institute design their own innovative training methods for their employees and other companies.

## Good Practice 1



### Mission

• In view of its philosophy, the organisation is dedicated to environmental protection. As a reliable partner for industry, it plays an important role in the support of environmental performances, e.g. the use of technology.

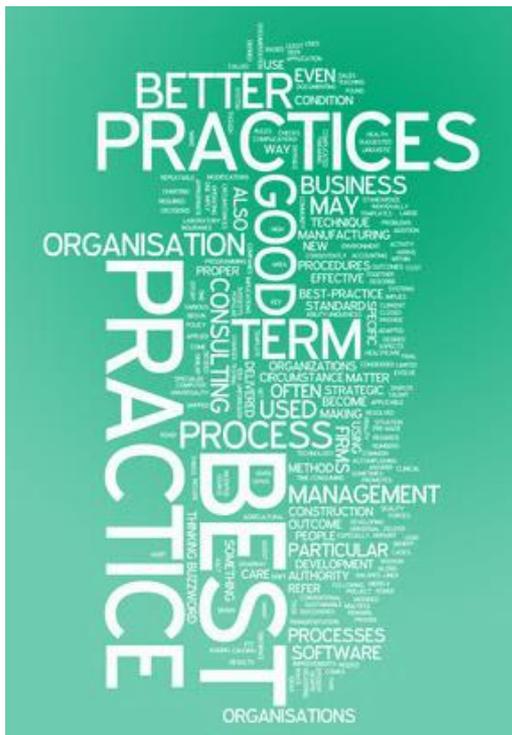
### Undertaken initiatives

- The organisation developed assessment tools for its consumption, also to be used by other companies.
- The employees represent the companies philosophy and are encouraged to be involved in each activity.
- The organisation provides a programme to raise awareness among society.

### Results

• For practical use of principles of sustainable development, the organisation published its responsibility report 2012 to present to society. Moreover, a sustainability indicators' system was created for the measure and assessment of changes.

## Good Practice 2



### Koç Holding – Vocational Training

**Thematic:** Development of local communities

**Country:** Turkey

**Website:** [www.koc.com.tr](http://www.koc.com.tr)

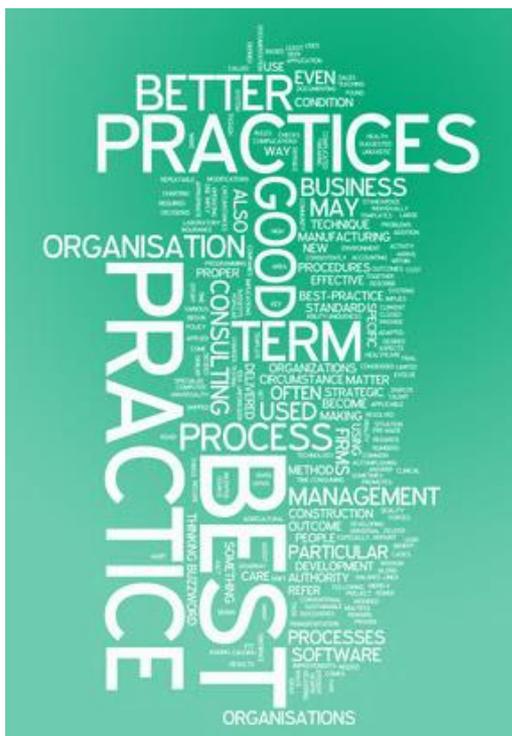
#### Organisation

- Founded in 1926, Koç Holding has become one of the largest and most successful groups of companies in Turkey and in Europe. Adamant in observing in all its operations the principles and ethical values of administering corporate governance, undertaking social responsibility and providing environmental protection at international standards.

#### Mission

- To promote youth employment through awareness building of the importance of VET and encouraging youth to participate in VET programmes, in partnership with Vehbi Koç Foundation and the Turkish Ministry of Education.

## Good Practice 2



### Undertaken initiatives

- Pairing Model: each VET organisation was paired with a company operating in related sectors.
- Internships: to attract youth to VET and decrease the school drop-out rates.
- Coaching: volunteers from all companies worked as VET coaches to develop students' skills.
- Laboratories and sector-specific collaborations: to create learning environments paralleling business practices.
- Teachers' trainings: to update their technical know-how and raising their level of technical skills.
- NGO partnerships and competitions: offering a range of training such as environmental, entrepreneurship and ICT.

### Results

- 8000 students from 264 VET schools from 81 provinces in Turkey
- 9.6 million reached via social media. By increasing societal awareness of the importance of vocational education, the project led to an increase in young people's interest in VET and in an increased enrolment rate to VET schools.



## Good Practice 3



### Mission

- To provide television services for (urban) groups that are underrepresented in the mainstream Austrian media landscape.
- To involve these marginalised groups in the programmes' production.
- To deliver training in TV production.

### Undertaken initiatives

- Full schedule of TV programmes. Training offered:
  - TV production (€25–60 per participant per workshop of 2–10 hours).
  - Internships.
  - Media training for businesses.

### Results

- 334 different shows have been produced by or broadcast on Okto since 2005. The studio is particularly popular with media students and independent producers/journalists (particularly those from migrant communities).
- Several of Okto shows have won prizes.

## Good Practice 4



### EFT AID Soleilmont

**Thematic:** Value creation

**Country:** Belgium

**Website:** [www.aid-soleilmont.be](http://www.aid-soleilmont.be)

### Organisation

- EFT Soleilmont is the oldest course run by the organisation AID, having celebrated its 30<sup>th</sup> anniversary in 2015. The centre welcomes those who wish to start a career in horticulture, offering 25 places per year.
- Trainees are all low-skilled jobseekers. They have only completed compulsory schooling (up to around aged 15) and have been unemployed for more than 12 months.
- Throughout the training course, the trainee stays registered with the social services, and so continues to receive any benefits (whether its unemployment benefits or other financial aid). For the trainee, the training course is free of charge.

## Good Practice 4



### Mission

- The social inclusion of people who are at a distance from the labour market and/or who are low-skilled, by supporting each trainee to set and achieve their personal and professional goals and developing their technical competences and know-how, becoming semi-skilled in horticulture

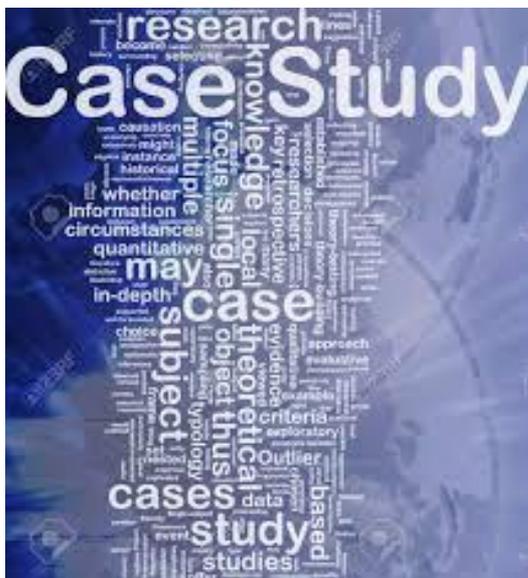
### Undertaken initiatives

- There are five different activities which all semi-qualified horticultural workers must be competent in and so the trainee will receive teaching in:
  - Creating a green space
  - Maintaining green spaces
  - Logging, uprooting and cleaning up trees
  - Small scale landscaping jobs
  - Maintenance of tools and machinery

### Results

- Soleilmont provides opportunities for these people to develop their skills (both socially and professionally), with the overall objective being social and professional integration in green jobs.

# Case Study 1



## CISCO CSR Program: Networking Academy

Cisco Networking Academy helps 1 million people each year develop the skills they need to excel in a job market driven by networked connections.

- The curriculum builds technical knowledge while cultivating the communication, problem-solving, and collaboration skills employers demand.
- The Cisco Networking Academy delivers a consistent curriculum to students at high schools, community colleges, universities, and other institutions in 170 countries. Partnerships with local businesses help students gain real-world work experience and professional connections that lead to jobs and lifelong careers.
- Some graduates pursue successful ICT careers in a wide range of industries. Others harness the entrepreneurial spirit and knowledge they acquired in Networking Academy to start their own businesses and create new jobs.

## Case Study 1

“People with skills in information and communication technology (ICT) will thrive in tomorrow’s workforce. ICT know-how is in demand in every country, in almost every field, as the Internet of Everything connects people, process, data, and things”

Organisation’s website:  
<http://csr.cisco.com/casestudy/networking-academy>

### Key initiatives undertaken

- A smart stick puts the Internet of Everything in service to the blind in France
- Equalizing opportunity for women and men in ICT in Jordan
- 100 patients broke the cycle of addiction with ICT training and therapy in Mexico.
- Networking Academy courses at a prison prepare inmates for a new life in Italy.

### Critical Questions

- What is the responsibility of VET providers offered updated ICT training? What kind of resources are needed?
- What initiatives can be launched to ensure that disadvantaged groups have equal access to ICT outside training environment?
- How VET providers can promote a culture of ICT among the pedagogical staff? Do they need specific ICT training to update their didactic skills?
- Which local stakeholders can you engage to boost an ICT culture in your VET activity?

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