



ENGAGE

***ENGAGE INTEGRATIVE GUIDELINES FOR
BOOSTING CSR***

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INTRODUCTION

CSR - WHEN THE PRESENT MEETS THE FUTURE

The new and simpler definition put forward by the European Commission refers to CSR as "the responsibility of enterprises for their impacts on society and outlines what an enterprise should do to meet that responsibility. The European Commission's new strategy on corporate social responsibility (CSR), part of a package of measures on responsible business, aims to help enterprises achieve their full potential in terms of creating wealth, jobs and innovative solutions to the many challenges Europe's society is currently facing.

A socially responsible organisation is the one that in addition to fully comply with all applicable legislation (i.e. general and specific), also includes in its daily management, activities, philosophy and strategy, the founding principles of social responsibility in the ethical, social, economic and environmental aspects, and in the relationship with its employees, suppliers and customers, or with those who are directly or indirectly affected by the activities of the organisation or rely on to a greater or lesser degree.

CSR is meant to be the way organisations integrate environmental, social and economic concerns into their values, decision-making process, strategy and operations in a transparent and accountable manner, thereby, establishing better performance within the company, creating wealth and improving the society.

The concepts of sustainable development, sustainability and social responsibility are often confused; however, they have to be distinguished.

The concept of sustainable development was defined in 1987 by the Brundtland Commission as "the development that meets present needs without compromising the ability of future generations to meet their own needs." The following two key concepts fall within sustainable development:

- ↳ the concept of needs, in particular the essential needs of the poor people worldwide which should be considered of top priority; and
- ↳ the idea of limitations imposed by the status of technology and social organisation on the environment's ability to meet present and future needs.

Currently, there is an understanding that sustainability is a broader term and applied to all human activities.

On the other hand, the corporate social responsibility (CSR) is related to the voluntary contribution of organisations to achieve the sustainable development goals or sustainability.

Understanding the concept of CSR requires understanding the following two assumptions. The first assumption concerns the voluntary nature of social responsibility, i.e. the absence of compulsory law for the adoption of a system of social responsibility. The second fundamental principle states that the responsibility does not replace the law compliance but it complements and develops it, i.e. it is an addition to the existing legal requirements, therefore, can never replace it.

While most CSR definitions mostly evolved around the concept that business can and should act in a manner that respects the legitimate goals and demands of all stakeholders, more recently the concept was enhanced to recognize and include social responsibility and sustainability as an integral part of the business model fitted to the core business strategy and, thus, directly and effectively contributing to the long-term success of the enterprise.

The Engage project seeks to refocus the meaning of CSR and avoid the unfortunately numerous abuses when it was used for window dressing, ticking boxes to comply with different local regulations in order to avoid certain taxation burdens or defensive measures for protecting organisation's image and reputation. The key challenge is to turn CSR into a real and powerful tool to a proactive cost-benefit calculus that factors in financial gains from productivity improvements (e.g. resulting from enlightened human resource management or from higher energy or material efficiency) and ultimately becomes the basis for brand equity and the driver of organisational learning, innovation and technology management.

In addition to increasing the visibility of CSR and creating platforms of dissemination for good practices, as well as self- and co-regulation processes that increase the level of trust in business, another a key prerequisite for creating a sustainable CSR culture is to further integrate CSR into education, training and research helping employers, managers and stakeholders acknowledge the CSR various dimension and learn how to build on and use effectively the CSR policies and programs in the organisations.

Within the current context of globalization customers, investors, policy makers and non-governmental organizations around the globe are increasingly concerned over the impact of globalisation on the rights of the employees and on the environment and community welfare.

Social responsibility benefits represent a comprehensive theme due to their complexity and diverse organisational, environmental and economic aspects.

The organisations' benefits gained from the implementation of social responsibility include lower costs, increased revenue, increased brand value, and incidence cuts of employee severance, increased productivity and more opportunities for reaching new markets. CSR can be broken down into specific actions which objects are the employee, shareholder, supplier, consumer, community and environment.

A socially responsible organisation has the ability to differ from its competitors which can be translated into benefits for the organisation. It can on the one hand, lead to greater customer loyalty and attract new segments. Moreover, and due to the management of social and environmental risks including sustainability, a socially responsible organisation can contribute to increase the attractiveness of the organisation's capital to new investors.

In organisational terms, the benefits are focused on the potential for improving the organisational climate, increasing the levels of satisfaction and motivation of employees and reducing absenteeism. Consequently, the organisations will see their productivity levels improved and become more attractive to potential new employees, as an addition of holding a greater ability to retain talented professionals.

In environmental terms "the reduction in consumption of resources or reducing polluting emissions in the production of waste can reduce environmental impact. This may also be advantageous for companies, as it allows a reduction of energy costs and waste disposal, as well as the costs of raw materials and pollution".

Corporate social responsibility starts with an organisation's value system and a principles-based approach to its operations. This means the organisation operates in a way at least to comply with the fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption. Responsible practices enact the same values and principles wherever they have a presence, and know that good practices in a certain area do not offset harm in another. The CSR is based on 10 principles that organisations should respect and seek to ensure.

The ENGAGE Integrative Guidelines is an important tool to boost the implementation of CSR principles and practices in any European organisation and to encourage synergies and cooperation across sectors and among employers, managers and stakeholders.

This Guideline is organised into three sections, as follows:

- ↳ Section 1 – contains an overview of the project's achievements and results as well as of the conclusions and recommendations
- ↳ Section 2 - meant to give practical recommendations for the implementation of the Self-assessment tool and Sectorial kits into organisations' operations and provides tips for improving

the organisations' performance through better understanding of CSR requirements, methods and indicators

- ↪ Section 3 – provides information on practical strategies, various references, national and European resources and tips for planning a sustainable strategy.

SECTION 1 CSR AS ORGANISATIONAL CULTURE AND RELEVANCE

What we achieved

Benchmarking Compendium Report on CSR Practices is the first intellectual output of the ENGAGE project aiming to give an overview on the CSR policies in the partner countries of Austria, Bulgaria, Portugal, Romania, Spain and Turkey. The report includes data, descriptions and analyses of the national context in the partner countries regarding VET providers, social and business entities, national regulations on CSR, as well as national reports and research studies, networks and umbrella organisations. The Compendium section contains 30 best practices and presents very useful resources for all CSR practitioners providing them with a wide range of national case studies. The reader has an opportunity to find out about each best practice at a glance with structured information on strategic plans, activities and results that are of a significant impact to the society. The understanding of the national CSR profiles goes deeper with the 18 interviews published in the report.

Platform for self-assessment on CSR consists of two documents and an instrument that allow the stakeholders to raise their understanding of CSR and to implement several easy steps towards improving their own CSR behaviour. Free access to all materials is provided on the project's website www.engage4csr.eu.

It would be helpful for the users to start with the first document entitled *ENGAGE Handbook&Guidelines* - a manual designed to facilitate the application of Corporate Social Responsibility (CSR) principles in organisations' operations. The document is structured in four sections – 1. Framework (overview of CSR concept, including political background), 2. CSR model according to the PDCA cycle, 3. Guidelines (actions to be taken by the organisations and a wide range of indicators to monitor the performance), 4. Self-assessment tool.

The second document is the *Quick User Guide*. The most important part of the platform is the Self-assessment tool which is available in English, Bulgarian, German, Spanish, Portuguese, Romanian and Turkish and allows the stakeholders to monitor and measure their progress on each step of CSR implementation. The CSR principles are translated by a set of requirements and related indicators that help stakeholders to consider which actions have been undertaken and which of them still lie ahead. The

final score of the Self-assessment tool gives the user a clearly structured picture of the organisational performance in each phase and step of the PDCA model, thus, turning the tool into a reliable mechanism for corrective and development initiatives.

ENGAGE Sectorial CSR-kits for employers, managers and stakeholders is an educational instrument for employers, managers and stakeholders. It provides up-to-date practical training materials that help awareness raising of the various dimensions of CSR and promote capacity building to implement and use the CSR principles, policies and programmes in an effective manner. The kits are developed in three separate PowerPoint documents which consist of informative texts, reflective questions, a lot of didactical resources (incl. charts, quotations, messages, links to videos, websites, documents, European and national references, etc.), as well as good practices and case studies. The kits are available in all partner languages on the project's website. They are innovative instruments for self-instruction and public educational initiatives.

The lessons learnt

Following our research study we have come to the conclusion that the evolution of CSR on national level depends on many country-specific factors such as the economic background and current situation, the diversity and predominant size of the economic actors, the presence or absence of foreign companies and their role in the domestic economy, the culture and habits. All these characteristics in their integrity predetermine the operational system where CSR concept originates and develops. Nevertheless, the partners have found that institutions and professionals involved in CSR have a lot of common and this is their shared vision on the nature and the meaning of CSR in terms of sustainable society building.

First of all, this implies the way the national stakeholders really do their business, and more specifically, the vision for an enterprise as a responsible society member very similar to the responsible citizen's behaviour.

The project partners have focused mostly on SMEs being driven by the perception that small and medium enterprises are key national players for economic growth, innovation and job creation. The lesson learnt is that in every country falling within the scope of the research there is a big challenge to attract SMEs to the CSR concept and to the responsible conduct. The reasons for this vary from the lack of understanding through the fear of high costs of CSR implementation to the lack of knowledge on reporting and underestimation of the benefits. Thus, it can be concluded that it is very important to support small enterprises (business, educational or social entities) in their growing understanding of CSR through provision of information, consultancy and training services. Such services should be tailor-made, easily accessible and at a fair price. What is more, the project activities (internal staff trainings and

demonstration workshops) confirmed the necessity for small entities to get more understandable and practical guidelines for their operations and this is an approach to be taken into account by national governments.

Furthermore, a conclusion emerged that the national cases of CSR practices differ from one country to another for the different reasons but all of them are at the same time sources of inspiration and transferable examples. The Benchmarking Compendium Report gives a lot of good and practical ideas of how a company or social/educational institution can adopt CSR principles even if it is a small-scale organisation or operates in less favourable economic conditions.

Last but not least, one of the major contributions of the project to the European CSR agenda is that it illustrates UN Global Compact's principles¹ with real practice example, thus, translating the policy documents by every-day life actions. For example²:

↳ An inspiring example of a small Austrian company that produces textile from bio-cotton certified by Fair Trade without the use of children's work or any exploitation of textile workers is a convincing illustration of Principle 5: The effective abolition of child labour.

↳ Interesting models of responsible corporate behaviour could be found and transferred in the example of a Bulgarian mobile company and its yearly grantmaking program to support small-scale ecological initiatives – complies with Principle 8: Undertake initiatives to promote greater environmental responsibility.

↳ Another good example describes how a company in Turkey uses residual plastics for production of shelters for homeless dogs – in line with Principle 7: Business should support a precautionary approach to environmental challenges.

Although so different, the good examples could inspire people to transfer and adapt working models according to their own profiles and the specifics of the country. What is important to remember is that nobody is alone in this process: businesses work with other businesses or NGOs; authorities cooperate with educational entities; businesses support social organisations, etc. The key concept is the partnership for CSR. Knowledge exchange perceived as provision of information and dissemination of

¹ For UN Global Compact visit <https://www.unglobalcompact.org/>

² All examples are taken from the Benchmarking Compendium Report on CSR Practices. To see the full report, visit <http://www.engage4csr.eu/OpenEducationalResources/index.html>

good practices is one of the decisions to overcome various barriers preventing SMEs from engaging with CSR according to the European Commission research paper³.

In terms of EU and national trends on CSR the following general conclusions can be drawn:

- ↳ Companies will develop innovative products and processes to tackle social and environmental problems;
- ↳ CSR approaches will be defined by cross-sector partnerships in order to have a greater impact;
- ↳ Multinational and large companies will target at zero-waste, carbon-neutral and water-saving production;
- ↳ CSR will have specific criteria of measuring the impact.

How to measure CSR progress: Conclusions and Recommendations

Based on 97 self-assessments carried out through the self-assessment instrument in the partner countries some conclusions have been drawn concerning the current state of the art of the European organisations from CSR standpoint⁴.

As a whole, the total results from Turkey are higher than the average of the other countries (Austria, Bulgaria, Romania and Spain), the scores of the Turkish businesses and social organisations are similar, while the results of the VET institutions are lower. Austria has similar total final results as Turkey. On a national level, the results of the Austrian social institutions and VET organisations are higher than those achieved by the businesses. In Romania, the participating organisations show relatively high results, mostly above the average. The Romanian businesses show the highest total results, followed by the social organisations, while the VET organisations have the lowest scores. The total final results from Bulgaria are lower than the average, where the scores of the Bulgarian social organisations are especially low.

The comparative results of testing, although not being of a representative nature, outline very clearly the points where governmental (or international and European) efforts need to be focused regarding SMEs engagement with the concept of social responsibility:

- ↳ The establishment of favourable conditions for knowledge exchange between SMEs on the national and international level could be a good solution;

³ *Corporate social responsibility - national public policies in the European Union, compendium 2014*

⁴ *To see the full text of SAT Comparative Report, visit <http://www.engage4csr.eu/OpenEducationalResources/index.html>*

- ↪ Knowledge exchange between SMEs and large-scale entities, mostly multinational, in order to transfer and adapt working models can also contribute to the CSR;
- ↪ National, regional or sectorial approaches could be applied in order to enable dissemination of good practices and to encourage responsible conduct of SMEs.

The comparative report shows that the lack of reliable and consistent (self)-assessment systems and, respectively, the lack of knowledge about (self)-measuring according to predefined indicators create an obstacle to the implementation CSR in SMEs in the partner countries. To summarise, the way the SMEs (self)-assess their CSR achievements affects the way they report them to the society and the benefits they obtain. Some European countries set frameworks for SME self-assessment alongside with the international standards, others introduce simplified ISO 26000 guidelines for SMEs or undergo surveys on CSR performance of SME. Still, there are many countries where governmental efforts to enable CSR are at an early stage.

From this standpoint, the ENGAGE project's Self-assessment tool⁵ responds in a reliable way by:

- ↪ offering a comprehensive instrument based on PDCA model, the well-known four-step management method used in business organisations to plan, control and continuously improve all processes and products;
- ↪ providing easy and quick assessment which gives information both on the overall organisation's performance as well as on more detailed data on achievements and problems at each step of the PDCA model;
- ↪ enabling the stakeholders to test their institutions every time they make changes and/or need to be aware of their CSR level.

What is important to be known before an organisation undertakes the test via the ENGAGE Self-assessment tool is that the CSR Model is based on a set of 10 commitments which close connection with the principles of UN Global Compact is not accidental.

Once the level of CSR is evaluated and the bottlenecks are identified, the managers could take a range of measures to improve the CSR performance of their organisations. The type of the measures depends both on the management's understanding of CSR importance and benefits, as well as the stage of CSR development on the national level. There are a lot of programmes supporting awareness raising regarding CSR concept in many European countries and on EU level. Other programmes enable

⁵ To test your organisation visit http://www.institutovirtual.pt/ENGAGE_SELF_ASSESSMENT/default.asp?id_idioma=2

promotion and institutions' interactions. There are a few grant-making programs to support pilot initiatives.

Some of the programmes focus on capacity building through a variety of forms of consultancy, provisions of information and training. In this aspect, the ENGAGE project offers another good answer to the challenges to the SMEs, namely by the ENGAGE Sectorial CSR Kits (for more details please, refer to the next section).

The most frequent questions asked by SMEs owners and managers are if the efforts and the time spent are worthwhile, i.e. these are questions about the benefits of CSR.

Benefits of social responsibility

All over Europe large-scale companies and especially multinational enterprises have already announced their understanding of interrelations with the societies: being members of the societies they have adopted responsible behaviour of taking resources from the societies and giving back to the societies. Many researchers have detected and analysed those interrelations, incl. from the viewpoint of benefits both for the societies and the companies.

As for the smaller enterprises, the understanding is not distinct to the same extent. Being challenged by global crisis consequences, extremely severe in some European countries and for specific economy sectors (construction industry, for instance), many SMEs are focused on economic survival which, according to the common perception, excludes "luxuries expenses like those related to CSR". In other words, they don't see the CSR benefits in market terms, let alone to accept it as a competitive advantage. Thus, the perception that CSR is for "the big ones and the rich ones" gains territory and some SMEs deprive themselves of powerful instruments.

Once again, the ENGAGE project provides the right answers for the above mentioned challenges by the ENGAGE Handbook.⁶ The project considers CSR benefits from various points of view starting from greater customer loyalty through higher employees' motivation to increased attractiveness to new investors and environmental protection. CSR very often leads to the same positive results as the quality management does. Moreover, the CSR concept applies not only to businesses but to a variety of entities such as public administration, associations, NGOs, trade unions, local communities.

⁶ *The Engage: Corporate Social Responsibility as key category for European employers, managers and stakeholders - Handbook&Guidelines. Available in 6 languages. The see the full text please visit <http://www.engage4csr.eu/OpenEducationalResources/index.html>*

Social responsibility benefits are a large theme due to its complexity and diverse organisational, environmental and economic aspects. Summarising them the ENGAGE project contributes to increased understanding that the economic impact of social responsibility can manifest itself in:

- ↪ better work environment;
- ↪ increased productivity and loyalty by employees;
- ↪ preference as an employer;
- ↪ more efficient management of available resources;
- ↪ brand image with greater credibility;
- ↪ more competitive products or services;
- ↪ increased confidence passed on to investors;
- ↪ new business opportunities;
- ↪ establishment of favourable contacts with the local community.

Training and information needs: analysis, suggestions & recommendations following the national Short-term Trainings and Multiplier Events

The three ENGAGE Sectorial CSR Kits were introduced and tested in each partner's organisation through 11 joint-staff staff trainings in the project partner countries, and attended by the total of 63 key staff members. The aim of the joint-staff trainings was to introduce the ENGAGE self-assessment tool and the Sectorial CSR-kit to partners' company staff in order to raise awareness of CSR and to promote the organisational culture and new skills development in Turkey (Kocaeli and Istanbul), Austria, Spain, Bulgaria and Romania. The participants' feedback was essential for the adaptation of the training materials that was taken into consideration in the final versions of the three Sectorial CSR Kits by the project partners. Also, the methodological approach of the short-term joint-staff trainings ought to be interactive and focused on the practical implementation of the Kits. Trainees' task was to indicate which exercises and training materials are considered useful and which do not exactly correspond to their needs and have to be further adapted or improved.

SHORT-TERM JOINT-STAFF TRAININGS

	COUNTRY & CITY/AREA	NUMBER OF TRAININGS	NUMBER OF PARTICIPANTS	PARTNER ORGANISATION
	TURKEY, Kocaeli	2	11	Kocaeli Chamber of Commerce
	TURKEY, Istanbul	2	11	Governorship of

				Istanbul
	AUSTRIA, Vienna	2	11	BEST Institute
	BULGARIA, Ruse	2	10	MYCCI Bulgaria
	ROMANIA, Bucharest	1	10	CREFOP
	SPAIN, Barcelona	2	10	FCPIT
TOTAL		11	63	

Further on, the ENGAGE Intellectual outputs were presented to external stakeholders by means of 6 Multiplier events with the participation of 127 people.

The Multiplier Events were conducted through a series of Demonstration Workshops with the aims to:

- ↳ present the intellectual outputs of the project;
- ↳ raise awareness of CSR;
- ↳ foster the use of the CSR Self-assessment tool

to external stakeholders.

Another important aim of the demonstration Workshops was to collect stakeholders' feedback on the intellectual outputs developed within project and to measure the sectoral impacts. The 6 Demonstration Workshops were held in 5 of the partner countries and attended by the total of 127 stakeholders.

DEMONSTRATION WORKSHOPS

	COUNTRY & CITY/AREA	NUMBER OF TRAININGS	NUMBER OF PARTICIPANTS	PARTNER ORGANISATION
	TURKEY, Kocaeli	1	24	Kocaeli Chamber of Commerce
	TURKEY, Istanbul	1	11	Governorship of Istanbul
	AUSTRIA, Vienna	1	20	BEST Institute
	BULGARIA, Ruse	1	23	MYCCI Bulgaria
	ROMANIA, Bucharest	1	26	CREFOP
	SPAIN, Barcelona	1	23	FCPIT
TOTAL		6	127	

The main conclusions derived from the Short-term trainings and Demonstration Workshops are as follows:

- ↪ The CSR should be disseminated in all countries and there is still a lack of understanding, especially among small companies and organisations;
- ↪ CSR follow-up trainings should be enhanced;
- ↪ The Sectorial Business Kit was accepted as an innovative method for self-training;
- ↪ The following aspects of CSR were considered of high interest: environmental protection and management; socially responsible marketing – however, the latter was also considered as a new concept for all small companies;
- ↪ Deeper knowledge on CSR is needed through information about good practices;
- ↪ CSR training kits should be expanded in every business field;
- ↪ The SAT (Self-Assessment Tool) should be disseminated to all business fields;
- ↪ The concept of CSR must be well explained and disseminated in all countries; there is still a lack of understanding, especially among SMEs and other organisations;
- ↪ Besides CSR, individual social responsibilities should also be encouraged. The culture of “being a socially helpful person” should be introduced and disseminated;
- ↪ Employees should take active roles in CSR projects;
- ↪ Organisations should implement CSR policies voluntarily;
- ↪ A central platform has to be placed for Business, Social and VET organisations providing them with opportunities to share their good practices, thus to contribute to CSR sustainability and dissemination;

- ↪ A sustainable revenue model for NGOs should be established;
- ↪ The principals for CSR in VET should emphasize on creating suitable environment for students that would provide them with experience and make them qualified labour force;
- ↪ The Sectorial Kits were accepted as an innovative method for self-training;
- ↪ Demonstration workshops were attended by many different types of organisations with diverse concerns and interests. However, all of them paid special attention to the issue of environmental protection, disabled people, women and children rights as a part of CSR, as well as to the socially responsible marketing.

SECTION 2 LEARN IT YOURSELF AND TEST IT YOURSELF: PRACTICAL TIPS

The importance of training in the process of increasing CSR performance has been clarified in the previous section. Exploring working models, sharing experience, keeping in touch with the leading professionals ... who can deny the benefits of taking part in educational initiatives of any scale?

But what if there is a shortage of training programs in your country? Or your organisation employs a small staff and cannot appoint someone to deal with CSR issues? Or your organisation is a newly established and the manager doesn't know where to start from?

The solution of these issues is supported by the innovative contribution of the ENGAGE project – the ENGAGE Sectorial CSR Kits on Business, VET and Social Institutions.⁷

How to use ENGAGE Sectorial CSR Kits

We can outline many good reasons about why to use the Sectorial CSR Kits. The most important of them together with some recommendations can be summarised as follows:

1. ENGAGE Sectorial CSR Kits provide you with the 10 principles of the CSR model at a glance.

However, it would be more useful if you refer first to the ENGAGE Handbook before you start reading the Sectorial Kits since the short clarification of the principles/commitments will help you to get started. Then, the information in the ENGAGE Sectorial CSR Kits will enhance your understanding of each of the following principles:

⁷ Available in 7 languages on the project web site

- ↗ Ethics and Transparency
- ↗ Fundamental Human Rights
- ↗ Dialogue with Stakeholders
- ↗ Value Creation
- ↗ Human Resource Management
- ↗ Diversity and Equality
- ↗ Environmental Protection and Management
- ↗ Development of Local Communities
- ↗ Socially Responsible Marketing
- ↗ Good Governance

2. Each kit can be used as a self-instruction tool or as a training material. That is why the PowerPoint format is chosen to serve multiple purposes and to facilitate the learning process.
3. You are provided with an option to present each kit as an integrative learning handbook or to use some parts of it depending on the training subject. The kits are developed in a way that enables the use of thematic slides separately according to the needs. For example, the part “Human Resource Management” would be useful as a teaching material if the training is provided only to staff members.
4. The Kits are tailored for Business, VET and Social sectors. What you need is to choose a Kit from the Open Educational Resources section⁸ of the project’s website which corresponds to your organisation and to choose your language or to translate from English in case it is different from project’s languages.
5. Each ENGAGE Sectorial CSR Kit refers to various resources you can never find at the same place elsewhere: learning materials, research findings, reflective questions, graphics, videos, quotations, a lot of useful Internet links, and references to questionnaires. All resources are presented in their integrity and interrelation with the 10 commitments/principles. Some examples:

⁸ <http://www.engage4csr.eu/OpenEducationalResources/index.html>

- ↳ when you go through the section “*Introduction to CSR*” and you read European Commission’s definition. Take your time and watch the Tony Prophet’s (Corporate Vice President Education Marketing at Microsoft) TED Talk on YouTube channel in less than 18 minutes;
- ↳ in reading about the “*Ethics and Transparency*” a link will lead you to another training that will expand your knowledge – that is a transcript of “EU Lobbying, Ethics and Transparency: “Do-s and “Don’t-s”, a webinar of the European Training Academy;
- ↳ “Fundamental Human Rights” section of the kits covers the milestones of the subject, incl. the UN recommendation to develop a human rights policy internally. At the same time, the section make you are of the comprehensive UN Guide for business “How to Develop a Human Rights Policy” – a handbook that should be learnt in details since it gives ready-to-apply practical steps, etc.

6. Focus on practice!

Our project experience clearly shows that all people involved in the activities are interested mostly in good practices, other organisations’ experience, the results obtained elsewhere and under different circumstances.

“How does it work?” has been the main question that outlined during the project lifetime and we have found the solution to meet the expectations of the users by a collection of four good practices and two case studies included in the Kits, i.e. a special design of innovative training methods in a company from Lithuania; continuous commitment to quality, safety and innovation in a family-owned food company in Greece; case studies from a Turkish and a Spanish company, etc. Still not enough? Then we kindly advise you to enhance your good practices library through the examples in our Benchmarking Compendium Report.

7. Resources, more resources! No matter how detailed a training presentation is it cannot exhaust all related issues. That is why the ENGAGE Sectorial CSR Kits include an extensive reference section, thereby preparing the grounds for advanced follow-up trainings.

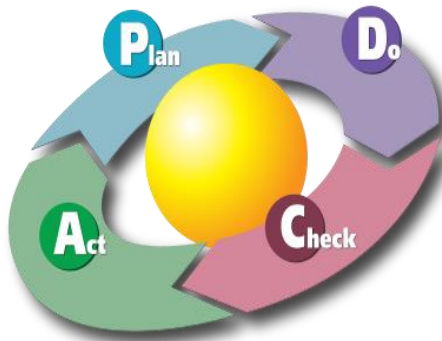
How to use ENGAGE Self-Assessment Tool

The ENGAGE Self-assessment Tool is not only a powerful instrument to measure the CSR level obtained but also a reliable source of reporting to clients, suppliers, authorities and the society as a whole.

1. To use it in a correct and useful way it is helpful to start with reading the ENGAGE Handbook. Let’s see some reasons for that:

- ✓ Since the CSR model is based on PDCA circle it is useful to recall how it looks and what it serves for.

The Plan – Do – Check – Act cycle aims to implement the effective and efficient social responsibility management system through involving all stakeholders in the decision-making process, resulting in increased satisfaction.



- ✓ PLAN (P) phase establishes guidance to present results according to the commitment assumed by the organisation based on stakeholders' requirements.
- DO (D) phase implements processes, activities, methodologies and specific CSR requirements; the implementation in this stage is in line with the 10 CSR principles, mentioned above.
- CHECK (C) phase monitors and measures the results in comparison with other organisation's commitments, targets and results.
- ACT (A) phase takes actions to continuously improve the performance.
- ✓ The Handbook describes every step to be taken within each phase of the CSR model;
 - ✓ The Handbook reveals the logic of the self-assessment process by explaining in details the interactions *requirements – methodology (how to) - indicators* within every step in a way presented in the extract below (referring to Plan (P) phase – step 01 Diagnosis)

REQUIREMENT	HOW TO	INDICATORS
P.01.01 Identification of relevant aspects of the organisation	<ul style="list-style-type: none"> ✓ Trace the chain value of your product and/or service. After identified the	<ul style="list-style-type: none"> ✓ Number of indicators created by the organisation to monitor the impacts identified that the organisation can control: - Water and energy consumption, amount of

which can be controlled and those who can influence all CSR principles.	different phases, list the major environmental, social and economic impacts through each step of the process. Differentiate the impact you can control and those you can influence.	waste produced; <ul style="list-style-type: none"> - Indoor environmental quality. ✓ Indicators created by the organisation to monitor the impacts identified that the organisation can influence: <ul style="list-style-type: none"> - Energy use from renewable sources; - Products and ecological raw materials purchased.
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✓ The Handbook leads to complex understanding of the CSR models with its phases, steps and requirements and helps the managers and CSR professionals to better connect the Self-assessment tool questions to methodology (instructions “how to”), as well as to learn how to create measurable and achievable indicators against each requirement.

2. Then, before starting the self-assessment process it is helpful to read the Quick User Guide which gives technical instructions. Moreover, its final part enables you to see the table of the Self-assessment Tool at a glance. In order to obtain the correct results it is advisable first to go through the questions against each requirement, to understand their logic and connections, to go back to the Handbook (if necessary) to look for clarifications, to refer to your organisational documents.

3. Finally, it is time for self-assessment. 133 questions in total reveal all aspects of your organisations’ responsibility towards the society.

Remember! The 10 steps in DO (D) phase are actually the 10 CSR commitments/principles. At the end, the intermediate and the final scores appear immediately and show the level you have reached. The result can be printed.

4. You can repeat the self-assessment process as many times as you wish. The changes in your scores will reflect the improvement in your organisation’s CSR practice.

5. Go for reporting! In this stage the Self-assessment tool becomes your marketing instrument – giving publicity to the results helps you build a relationship of mutual trust with your employees, partners and communities.

How to increase your CSR performance: recommendations for useful resources

Trainings and other supporting programmes have already been mentioned. In this section we will consider some additional resources especially useful to increase your organisational performance in the area of CSR by self-learning. Only resources available free of charge are listed below. Links to them could be found on the UN Global Compact website: www.unglobalcompact.org.

For convenience, the resources are divided by principles; however, most of them refer to several subject matters.

Resources for Principle 1 Ethics and Transparency

A Practical Guide for Collective Action against Corruption - you will be given guidance on how to initiate and implement anti-corruption collective action initiatives while showcasing various examples from collective action projects worldwide.

Resources for Principle 2 Fundamental Human Rights

Business and Human Rights Resource Centre - visit its main page at <http://business-humanrights.org>; it provides a lot of information in 8 languages and you can sign-up for weekly updates

Child Labour Guidance Tool for Business - an overview on how to do business with respect for children's right to be free from child labour; the guidelines aim to improve global supply chain governance, due diligence and remediation processes to advance the progressive elimination of child labour.

Resources for Principle 3 Dialogue with Stakeholders

Occupational Safety and Health in the Supply Chain – a brochure on how a company ensures that workers within its supply chain enjoy adequate safety protection in the workplace, especially when it sources from supplier companies in areas with little or no safety protection, either because the law is inadequate or not enforced.

Resources for Principle 4 Value Creation

The Poverty Footprint. A People-centred Approach to Assessing Business Impacts on Sustainable Development - an assessment tool that enables companies and civil society partners to understand corporate impacts on multi-dimensional poverty. The Poverty Footprint provides a comprehensive overview of factors that influence poverty, and it emphasizes on engagement and partnership between companies and civil society as a means for establishing business strategies.

Resources for Principle 5 Human Resource Management

Fair Hiring Toolkit - guidelines for seven key stakeholders: Brands, Suppliers, Governments, Advocates, Investors, Auditors, and Multi-Stakeholders. The Toolkit provides guidance for each of them in taking action to improve hiring and labour conditions. The guidelines and resources are tailored and focused toward stakeholders in different sectors and at different levels, encouraging stakeholders to effectively implement socially responsible hiring practices and supply chain sustainability.

The Labour Principles of the UN Global Compact. A Guide for Business - the purpose of this Guide is to increase the understanding of the four labour principles of the UN Global Compact as well as to provide an inventory of key resources to help integrate these principles into business operations.

Resources for Principle 6 Diversity and Equality

Dhaka Principles for Migration with Dignity - a set of human rights based principles to enhance respect for the rights of migrant workers from the moment of recruitment, during overseas employment and to further employment or safe return to home countries.

Making the Connections: Women, Corporate Sustainability and Sustainable Development - explores the linkages between gender equality, corporate sustainability and sustainable development, and provides specific examples of how companies are placing women's empowerment at the heart of corporate sustainability initiatives.

Disability in the Workplace, Company Practices – the paper highlights company practices and operations in the areas of hiring, retention, products, services and corporate social responsibility in relation to the persons with disabilities.

Resources for Principle 7 Environmental Protection and Management

A Framework for Corporate Action on Biodiversity and Ecosystem - provides a framework for developing, implementing, and disclosing policies and practices on biodiversity and ecosystem services that are integrated into corporate sustainability strategies.

Are you a Green Leader? - a brochure that sets out how companies can be part of the solution, and can take steps that benefit their business while contributing to our future survival on the planet.

Environmental Stewardship Strategy. Overview and Resource for Corporate Leaders - presents integrative approach to managing a variety of key environmental issues, designed to help companies develop a comprehensive environmental strategy, following an 8-step model.

Resources for Principle 8 Development of Local Communities

Investing in Education: Lessons from the Business Community - features companies that have made a commitment to changing education; all have worked with numerous partners to maximize the impact of their investments.

Resources for Principle 9 Socially Responsible Marketing

Respecting and Supporting Children's Rights in Marketing and Advertising – a webinar that explores how companies can ensure that their communication and marketing approaches do not have an adverse impact on children.

Resources for Principle 10 Good Governance

Global Opportunity Report 2016 - identifies and ranks 15 sustainability opportunities according to public and private sector interest and potential impact on societies and business. The report aims to demonstrate how global sustainability challenges and risks can be seen as opportunities. The 2016 reports stems from a survey of 5,567 business, governmental and social leaders across five continents.

Joining Forces: Collaboration and Leadership for Sustainability – the study explores how sustainability pressures are transforming the ways we all work, live and compete. It finds progress in companies making the fundamental shift in how they organise themselves and how their boards of directors act to address the profound challenges and risks that those issues of sustainability present. But it also indicates that many business leaders have some distance to go to understand that the path to sustainability success is best travelled with others.

SECTION 3 PLANNING A SUSTAINABLE STRATEGY

The development of a national strategy to promote corporate social responsibility (CSR) is undertaken with the aim of making a contribution to meeting the core challenges facing us in the globalised world of the 21st century. Corporate social responsibility is a fundamental element in social market economy system. This is intended to support the economically-stable, socially-equitable and environmentally-compatible development of business. Corporate social responsibility is not however a substitute for political action. Rather, it augments the responsibility borne by the political sector and civil society and goes beyond what is required by law. The reason: Tapping the potential CSR offers requires the combined

efforts of society as a whole. The term “corporate social responsibility” stands for responsible business practices in the respective company’s actual core business. It is the designation for an integrated corporate concept that encompasses all the social, environmental and economic contributions a company makes as part of its voluntary assumption of social responsibility which goes beyond compliance with laws and regulations and incorporates interaction with stakeholders.

The **Action Plan for CSR** aims to foster civil engagement. One area of civil engagement is corporate citizenship (CC): the civil involvement in enterprises which are active as good citizens following the principle of responsible conduct and above and beyond the individual company’s actual business operations for the good of civil society and in societal, environmental and cultural causes. Successful corporate social responsibility requires committed enterprises which integrate CSR into their business strategies, a dynamic civil society that calls for and rewards CSR, and active public policies that formulate societal aims and establish a positive environment for CSR. Corporate social responsibility is voluntary but not arbitrary. When all societal groups shoulder their responsibility it will be possible to meet global challenges together to the mutual advantage of economic, social and environmental goals. Responsible, global environmental and social policies that go beyond these legal and collectively agreed requirements are already an integral part of the business strategies of many enterprises today. These enterprises have optimised the social and environmental aspects of their business operations on a targeted basis and are making a contribution to meeting national and global societal challenges. It is important that corporate social responsibility be seen as a continuing, long-term task: Business strategies can be constructive, innovative and financially successful only when they are systematically planned and geared to the long term. When assuming social responsibility, enterprises are frequently guided by international instruments and initiatives. The OECD’s Guidelines for Multinational Enterprises, the ILO’s Tripartite Declaration on Multinational Enterprises and Social Policy, and the United Nations Global Compact already serve many companies as benchmarks and guidelines. However, the discussion on corporate social responsibility revolves not only around multinational corporations but also focuses on small and medium-sized enterprises (SMEs) with international operations. In addition, SMEs’ civil engagement at regional and local levels means that they also have a significant influence on the economic, social and cultural area. It is important to support responsible enterprises in their role as role models, create further incentives for assuming social responsibility, and provide assistance for implementing CSR in everyday business conduct. This can boost acceptance of the social market economy system. Furthermore, we will continue to promote corporate responsibility internationally as well. In this connection, it is vital that partners work together with each other to improve the parameters for responsible entrepreneurship and enhance cooperation between government and business. The Action

Plan builds on existing initiatives and networks that have been launched by the federal government, private sector and civil society. It also ties in with national and international efforts to foster CSR in connection with sustainable development.

Our CSR strategy should be adapted to the European Union's long-term Europe 2020 strategy. Europe 2020 outlines how the European Union can emerge stronger from the current crisis and continue following the path to building a smart, sustainable and inclusive economic area with high employment and productivity levels, resource conservation and an environmentally-acceptable and climate-friendly energy supply, combined with marked social cohesion. For the sustainable institutions practising corporate social responsibility pays off for enterprises and society: CSR offers a means to boost the competitiveness of companies on a long-term basis and to find solutions to social challenges which could not have been achieved through policy measures alone. Particularly in times of financial and economic crisis, corporate social responsibility is important for restoring faith in business. Therefore, corporate social responsibility is to be understood as an element in a social and ecological market economy system.

CSR defines the social mission of businesses as sustainable development of independent and responsible companies which meet the long-term economic interest of business and that guarantee the social stability, safety and prosperity of citizens, environmental protection and the respect to human rights. An enterprise assumes responsibility for the quality of its services, compliance with labour rights and business ethics values, respecting the tax discipline, and minimizing the adverse environmental impacts. A CSR strategy in place becomes important when companies go international and seek to acquire assets in partner countries or to raise capital on international financial markets which exposes them to international competition and in depth examination. Whether or not a company upholds social and environmental standards can be important criteria in this context and can impact on the cost of capital and the risk premium.

A company's corporate CSR strategy aims are to:

- ↳ anchor CSR more firmly in enterprises and public bodies, win over even more small and medium-sized enterprises(SMEs) for CSR
- ↳ increase the visibility and credibility of CSR
- ↳ optimise the political framework for CSR and make a contribution toward shaping the social and environmental dimensions of globalisation

- ↪ ensure the full dissemination of the Corporate Social Responsibility & Sustainability Policy as well as CSR and Sustainability success stories throughout the institutions
- ↪ ensure the day-to-day practice and enforcement of the processes outlined in this Policy, ensuring good corporate citizenship in a manner consistent with applicable laws and regulations and requiring honesty and integrity from all employees
- ↪ demonstrate leadership, through company's actions and words, in regard to their commitment to the CSR & Sustainability policy
- ↪ take personal pride and accountability for company's role as a member of corporate management in responding to any report of behaviour that is inconsistent with this CSR & sustainability policy
- ↪ implement a detailed quality control plan as the primary tool to demonstrate and maintain compliance with all safety and environmental regulations and conditions of permits and approvals
- ↪ integrate CSR & Sustainability objectives into company's operational and financial objectives
- ↪ contribute to company's communities through involvement in charitable, community service and professional organizations
- ↪ build relationships within communities by contributing to the areas served by the company, either by the corporate involvement or through the provided services
- ↪ convey and reinforce to all employees to assist with meeting the above requirements

How corporate social responsibility (CSR) focus turns into an outgrowth of our vision to help

We approach corporate social responsibility strategically – in order to ensure a sustainable future for our company, our customers, and for society. We work to provide the world's youth with the skills they need to tackle society's problems and thrive in the digital economy. We also aim to enhance educational and entrepreneurial opportunities for youth around the world and to build creative partnerships that accrue significant benefits to both sides.

The world runs better and improves people's lives and institution's reputation

Aware consumers are increasingly expressing a desire for a 'second price tag' that would shed light on the sustainability and social responsibility of the respective company's business practices. Meeting this wish will require reliable, transparent and comparable information on enterprises' socially-responsible conduct information not only on the respective company's activities but on its supply chains as well which would put consumers in a position to make their own assessments. This type of information base would provide insight into the credibility and trustworthiness of the respective CSR activities and make it possible for enterprises to refute any suspicion of window dressing. Responsible business conduct leads

not only to higher product quality, it can also lead to tangible competitive advantages such as when contracts are awarded on condition that minimum standards are met.

What are sustainable operations for business, social and VET organisations

The person responsible for CSR in a company who ideally reports to the CEO, first of all needs to determine which CSR perspective is of highest relevance. Depending on the chosen perspective a team needs to be composed. Organisations are provided with some guidance on which functions should be included, based on the experience gained in the case studies. On the other hand, other functions may also be valuable but the functions mentioned here are indispensable. Finally, the aim of a project to determine the added value of CSR is to come to conclusions about how the contribution of CSR to the market value of a company can be increased. Therefore, improvements need to be identified and implemented, targets must be set and the management support must be acquired.

How CSR eliminates the footprint on the environment

- ↪ *Conservation, reuse and recycling.* When it is feasible, companies should conserve natural resources by using recycled materials and supplies, efficiently using energy, and participating in recycling programs. Companies should also encourage and support the sustainable use of renewable natural resources.
- ↪ *Reducing and disposing of waste.* Companies should try to reduce and where possible eliminate waste through reduction of resources and recycling at their premises. All waste should be safely and responsibly handled and disposed.
- ↪ *Developing safe and sustainable products.* Companies should develop, manufacture, and market products that are safe for their intended use. The environmental policies and practices aim to protect, conserve, and sustain the world's natural resources and also protect the customers and the communities where they live and operate.
- ↪ *Making environmental stewardship a part of the company's business relationships.* Companies should strive to incorporate the environmental principles into their business relationships. They should also seek for similar commitments to the environment from their major suppliers and participate in industry groups to set industry standards on environmental practices, as well as strive to keep the customers informed about the company's efforts, and welcome customers' feedback.
- ↪ *Continuous improvement of the business performance.* Companies should set objectives and targets to ensure continuous improvement of their environmental performance. Companies should value their employees' contributions to the environmental initiatives. Every company

should regularly review its business activity and assess its environmental programs, practices, and goals to evaluate progress and identify areas in which it can make further improvement.

- ↪ *Demonstrating responsibility to company's stakeholders.* Companies should engage their stakeholders with the objectives and targets, and periodically communicate the progress to the board of directors, shareholders, customers, and members of the public.

How sustainability policy implements in the institutions

In connection with the implementation of the Action Plan for CSR, it is important to use existing structures, create synergies and avoid the development of parallel structures. The participation of all stakeholders and social groups has proven not only to be extremely worthwhile in efforts being undertaken to foster corporate social responsibility but also guarantees a continuous dialogue with all stakeholders and social groups. It is particularly important because the more united the various societal forces are in their efforts to implement the Action Plan and the more they discharge an indispensable role as disseminators, the more powerful the Action Plan for CSR will be in fostering sustainable development. The National CSR Strategy shall be embedded in European and international networks and partnerships and follows the same global aims. Changes are needed in the parameters for CSR which can be achieved only through a joint action by an international alliance. A greater awareness of the connections between responsibility, ethics and transparency in business life has developed in the wake of the economic and financial crisis, global climate change and environmental pollution and in light of the unacceptable working and living conditions that are still to be found in many parts of the world. Public recognition is strong for enterprises exhibiting exemplary conduct. It is imperative that existing opportunities be used to further strengthen corporate social responsibility on a joint basis and to develop the corporate social responsibility into a quality feature at home and abroad to the benefit of both society and business.