

# BUSINESS ENGAGEMENT IN SOCIAL AND ECONOMIC INCLUSION RESEARCH

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MODEL/FRAMWORK FOR ASSESSING COMPANY SOCIAL AND  
ECONOMIC INCLUSION  
POLICIES, PRACTICES AND OUTCOMES

By Derek V. Mitchell

August 1, 2005

## BUSINESS ENGAGEMENT IN SOCIAL AND ECONOMIC INCLUSION RESEARCH

### COMPANY ASSESSMENT & PLANNING MODEL FOR SOCIAL AND ECONOMIC INCLUSION POLICIES AND PRACTICES

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The purpose of this proposed planning Model is to assist companies to assess their corporate social responsibility impact and develop specific action programmes to enhance their understanding of how the company can contribute to increasing the social and economic inclusion of marginalized groups in the communities and markets in which they do business. The proposed Model attempts to examine and develop an integrated and comprehensive assessment of the social and economic inclusion impact of the company, across all aspects of the company's operations, as the company conducts its business operations and makes its investment decisions. The same process can be taken with the other dimensions of the company's corporate social responsibility effort, such as environmental policies and practices.

Specific corporate social responsibility social and economic inclusion policies and practices should be assessed and company performance with regard to the assessment area should be benchmarked and/or performance measured in a manner that the company judges as providing them a solid assessment and understanding of the company's performance – whether against year ago achievement, or achievement to objective or benchmark performance relative to their industry sector peers or whoever they judge to be best in class. Once the assessment is made, then the company should develop a measurement system to track company performance. Where required and applicable the company may also choose to set development objectives to help them in achieving the desired benchmark or level of company performance by way of identifying development strategies to achieve the development objectives and planned executions to fulfill the strategies.

For example; is a corporate social responsibility [CSR] statement/vision included in company vision/mission statements and the company's core values? As an example, the assessment may be that there is no formal statement. If this was the case, then clearly the development objective would be the creation and formal adoption of a CSR statement by way of a board resolution carried by a certain date. To achieve this development objective the Board may lay out a number of development strategies such as:

- Conduct a formal review of other best practitioners or other best in class companies' CSR statements. [So as to better understand the nature and composition of such statements. This could be as simple as opening a conversation with other local companies in the same business sector and/or the sector council to ascertain what they are doing in this area]
- Conduct a consultation with company customers, suppliers and employees.
- Conduct a consultation with local business associations. [For example, in the case of Halifax, this would be the Greater Halifax Partnership and the Halifax Chamber of Commerce]
- Establish a board steering committee or a board CSR committee to manage the development of a CSR statement.
- Create a CSR resource center in the company to manage the development of a C.S.R. statement [and subsequently to provide integrated management to all the other aspects of the company's corporate social responsibility policies and practices, including the identification of sources for best practices.]

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These are only a few examples of possible developmental strategies a company may choose to pursue. The key is how the company *creatively construes* its own approach to achieving the developmental objective and each company's situation will be different. In the case of a large company the process would be more structured and probably involve many people within the company; while in the case of a smaller company, the process would be far less structured and more of a hands-on engagement by the owner/operator. The Model is simply a checklist of ways of looking at a number of the possible dimensions of social and economic inclusion across all aspects of the company's operations and developing an action plan to improve company performance. The Model represents the "ideal" or best case for a company's social and economic inclusion policies and practices and as such may not be easily or immediately attainable for many companies. However, it still provides a road map toward which companies can move along to increase their corporate social responsibility; at the pace they judge to be a reasonable fit for their organization. As previously mentioned, the same process can be extended to other aspects of the company's CSR policies and practices, such as environmental.

A number of excellent corporate social responsibility best practices resources exist, for companies to learn more about the aspects and dimensions of the best practices which are outlined in the proposed model. A number of these resources for best practices are outlined in ATTACHMENT 4 of the Report. Many of the best practices of this model were drawn from these sources and as well as based on the reported corporate social responsibility policies and practices of the 10 large companies reviewed in the secondary research. The learning from the interviews with 21 Halifax based companies and organizations in the primary research phase of this project is also reflected in this model. The SUMMARY OF CONCLUSIONS REGARDING THE C.S.R. SOCIAL AND ECONOMIC INCLUSION POLICIES AND PRACTICES OF THE 10 CORPORATIONS REVIEWED DURING THE SECONDARY RESEACH PHASE, the PRIMARY RESEARCH KEY FINDINGS and RECOMMENDATIONS FOR SUSTAINABLE MECHANISMS AND PROCESSES sections of the Report also provide further insight into the best practices proposed in the model.

For more information on this Model and/or the Report please contact:

**Derek Mitchell**

Business Engagement in Social and Economic Inclusion Research Project

PO Box 175

Halifax Nova Scotia B3J 2M4

**Email:** [derekmitchell@venturepartner.ca](mailto:derekmitchell@venturepartner.ca)

**Phone:** 902-499-2675

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## COMPANY ASSESSMENT & PLANNING MODEL FOR SOCIAL AND ECONOMIC INCLUSION POLICIES AND PRACTICES

Company Assessment Area	Specific Social and Economic Inclusion Policy / Practice And/OR Initiative	Benchmark Measurement and/or Performance Assessment	Development Objective	Development Strategy	Execution / Spending
Vision / Mission / Core Values	1. C.S.R. statement / vision included in company vision / mission statements and the company's core values.				
Governance Structure and Management Evaluation and Performance Systems	<ol style="list-style-type: none"> <li>1. Makes a formal statement of commitment to corporate social responsibility and social and economic inclusion – for example in the Board Mandate.</li> <li>2. Establishes a Board C.S.R. Committee</li> <li>3. Ensures company has a Code of Ethical Conduct.</li> <li>4. Board ensures that it is fully informed on social and economic inclusion issues in the community(s) in which company operates. In the case of a national company this would include broad national social issues.</li> <li>5. Management performance goals include corporate social responsibility social and economic inclusion objectives and clear linkage between compensation and the achievement of both the organization's financial and corporate social responsibility goals.</li> </ol>				
Formal Corporate Social Responsibility Policy	<ol style="list-style-type: none"> <li>1. Has a formal Corporate Social Responsibility / Community Citizenship Policy which includes:                             <ul style="list-style-type: none"> <li>• Social and Economic Inclusion and Development Policy</li> <li>• Charitable Giving Policy including a definition of Strategic Focus</li> </ul> </li> <li>2. The Board and Executive Management develop an understanding and articulate the strategically relevant corporate social responsibility goals that the company should set and pursue.</li> </ol>				

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Social Responsibility Transparency	<ol style="list-style-type: none"> <li>1. The Board undertakes a formal commitment to social responsibility transparency.</li> <li>2. Conducts routine internal and external communications of policies and practices.</li> <li>3. Publishes a formal annual corporate social responsibility public accountability report which provides an integrated assessment on the social and economic inclusion policies and practices across all operational aspects of the company.</li> </ol>				
Charitable Giving Policies	<ol style="list-style-type: none"> <li>1. Engages in long term strategic partnering with charities and NGOs.</li> <li>2. Pursues multi-stakeholder collaboration to address community issues of social and economic inclusion.</li> <li>3. Gives to the community social and economic inclusion needs without seeking apparent business benefit.</li> <li>4. Offers opportunities for full employee participation in corporate social responsibility and social and economic inclusion planning and implementation.</li> <li>5. Provides recognition of volunteer work of employees.</li> <li>6. Offers opportunity for enhanced employee volunteer effort with those NGOs operating in the company's strategically chosen focus area by providing paid leave of absence and/or funding support.</li> <li>7. Evaluation of charitable spending through review of results achieved by recipient agency / NGO.</li> </ol>				
Organizational Structure	<ol style="list-style-type: none"> <li>1. Has a VP or Director for Corporate Social Responsibility to lead the company's development work on C.S.R.</li> <li>2. Conducts a formal assessment of social and economic inclusion diversity of work force, especially in management positions.</li> </ol>				
IT Strategy / Systems	<ol style="list-style-type: none"> <li>1. Accounting and information technology systems structured and managed to audit and report on the progress / performance of the company's corporate social responsibility social and economic inclusion goals/ objectives and activity/spending.</li> </ol>				
Branded Advertising / Social Marketing	<p>Conducts strategic sponsorship where there is strategic fit with company and company's social and economic inclusion corporate social responsibility goals.</p>				

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Social Impact of Business Investment	1. Assessment of social benefits to community / society from company's capital investment choices – for example number of marginalized persons provided career opportunity.				
Social Impact of Business Operations	1. Has due diligence policies and practices for assessing procurement / supply chain management on outsourcing and suppliers' corporate social responsibility environmental and social performance. 2. Has a Social Procurement policy or creative and proactive ways of incorporating social values into purchasing decisions. 3. Ensures equal access to purchase company's goods and services. 4. Values respect for customer and employee privacy and freedom of choice. 5. Understands, manages and monitors the social impact of trade marketing practices, such as: <ul style="list-style-type: none"> <li>• Anti-Corruption Policy</li> <li>• Anti-Bribery Policy</li> <li>• Code of Business / Operational Ethics</li> </ul>				
Social Impact of HR Policies	1. Has a formal Diversity Policy and Employment Equity Policy which include policies on recruitment, performance management, access to training, career opportunities and promotion. 2. Prioritizes and pursues positive action for employment or outsourcing work for marginalized groups such as youth at risk, women, low income single parents, the disabled, immigrants, visible minorities, indigenous peoples. 3. Has a Human Rights Policy. 4. Policy on Child Labour Standards. 5. Has an Anti-Harassment Policy. 6. Has a Non-Discrimination Policy. 7. Ensures equal access to training. 8. Transparent and documented Employee Evaluation process. 9. Supports living wage guidelines as a starting point for employee compensation. 10. Has a formal confidential complaint or grievance procedure for employees. 11. Maintains compliance with jurisdiction's applicable laws and regulations.				