
For Immediate Release

Embedding CSR in core business strategies key to future business success

Kuala Lumpur, Malaysia, 5 October 2009 – New and emerging business risks will challenge the way companies view corporate social responsibility in the coming years according to research by CSR Asia.

CSR Asia conducted a survey of over 70 CSR experts in the region to look at what are the top 10 issues that companies will face and in the next decade. “The top three issues in the survey, namely climate change, labour rights and governance, shows how diverse CSR issues are, which will affect how companies respond”, says CSR Asia chairman Richard Welford.

The survey ranked other upcoming issues that will affect businesses and these included the need for increased communication between stakeholders and businesses, the battle for the best talent, a move towards community investment (and away from philanthropy), deepening supply chain concerns, the growth of social enterprises and the role of companies in poverty alleviation. Each of these challenges will have a host of connected issues businesses will need to address. The report highlights, for example, the battle for human resources and this will affect how people work as employees and pursue goals that are beyond the office walls.

“No one single individual within a company will be able to handle all these complex issues”. Richard Welford points out. “The only way therefore is for the businesses to embed CSR into the organisation and make it part of its core business strategy, not just something as an afterthought. This will allow a more holistic business approach linking CSR to its brand and strategy.” Welford points out that a company’s commitment to CSR will be measured by the resources they allocate to the function. “Increased training and the development of staff who better understand the business case for CSR and a company’s recognition of the role and value of CSR managers are one of keys starting points to embedding CSR in corporate strategies”, he argues.

According to the survey, government will retain substantial power to influence CSR through their ability to enact laws and regulations. But the survey also finds that it is NGOs and businesses themselves who will shape issues that businesses will encounter.

The CSR experts interviewed foresee that NGOs will move closer to businesses, resulting in development of social enterprises to tackle societal challenges. Increasingly, progressive businesses will understand the business case of CSR and develop new strategies around sustainable and

responsible business. "We will see more partnerships between NGOs and businesses in the future as NGOs help shape the CSR agenda", says Welford.

Businesses have to be prepared to respond to these changes now. "Businesses will have to change their mindsets and approach in understanding the impacts that their business operations can have on society and the environment."

Companies that have never engaged stakeholders need to develop better communication strategies with them. Businesses will need to use innovation and creativity to develop products and services that solve some of the many problems faced by the world. Responsibility of products and supply chain will move beyond just the first tier and require deeper understanding of their impacts along the whole value chain.

The upcoming CSR Asia Summit is an opportunity for Asian companies to learn from companies that are working to embed CSR into their core business strategies. This annual flagship conference of CSR Asia will be held in its seventh year in Kuala Lumpur, Malaysia from 27 – 28 October 2009. Themed "Sustainable business as the road to recovery", the Summit is targeted at companies operating in the Asia-Pacific region who want to achieve strategic CSR, and effectively communicate such efforts to stakeholders. Concurrent with the Summit are training sessions for CSR practitioners to develop new skills and insight into CSR practices such as reporting and communication, and carbon footprint. Registration is now open.

For more information, visit <http://www.csr-asia.com/summit09>.

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