

"The right thing to do"

Historically organizations have been established to provide members of the community with products and services. The purpose was to produce products as required and at the same time get a certain return out of your business.

At some point the idea of return was transformed into the conception that the profit gained had to be a maximum. The predominant view became that the business' object was maximum profit, and that this was in no way associated with anything unethical. The Business of Business is business, as expressed by economist Milton Freedman. To engage in philanthropical activities, for example, would draw the attention away from the business' main object.

The challenge for the surroundings was, however, that the organization does *not* operate in a vacuum. It's activities influence the surroundings, stakeholders, customers and employees. The last decades have been characterized by an enormous growth in industrial production. This has lead to increased pollution and increased strain on the environment.

In 1987 the report *Our common future* was issued. *Sustainable Development* was the new concept in this report, which describes how environment, economy and social development are closely related. The main message is that the world community's biggest challenge is to accommodate and take the necessary steps to secure a sustainable development.

Sustainable development is about meeting the needs of the present while living within the planet's ecological limits and without compromising the ability of future generations to meet their own needs. Sustainable development has three dimensions – economic, social and environmental – which are interdependent. The concept can be used as a way of summing up the broader expectations of society that need to be taken into account by organizations seeking to act responsibly. Social responsibility has the organization as its focus and concerns consequently an organization's responsibilities to society and the environment.

The global standard ISO 26000 has been developed to take on this massive challenge by creating a common frame of reference describing what social responsibility means in practice. The standard was developed using a unique approach involving more than 400 experts from 90 countries representing different fields of interest. It differs from other tools in that it represents a global frame of reference that defines social responsibility for all organizations, and it provides guidelines for a systematic approach to social responsibility. It utilizes an integrated and process-orientated approach. It is not a checklist, and cannot be used for certification purposes. This means that complying with the guidance is voluntary, and that each organization can adapt the contents to their own purpose.

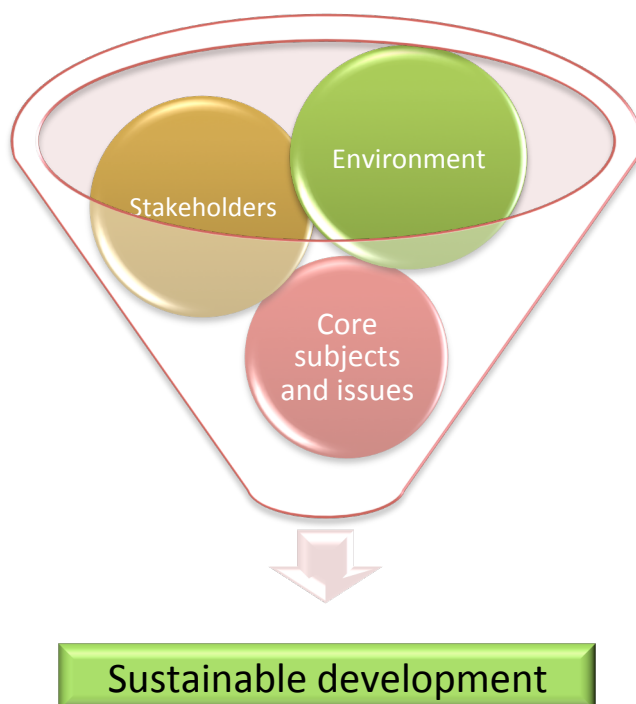
The standard recognizes that organizations are at various stages of understanding and integrating social responsibility. It's purpose is to be used by those beginning to address social responsibility, as well as

those more experienced with putting social responsibility into practice. ISO 26000 provides the organization with the best foundation for addressing social responsibility.

An integrated approach

“Everything” that is addressed in the standard is relevant to the social responsibility of organizations. It is however up to each individual organization to decide what is the most important issues to them. This process of establishing the organizations individual social responsibility is important.

The product of, and the object of, the process is *the organizations' contribution to sustainable development*.



Structure and scope

The applicability of the standard is comprehensive. ISO 26000 applies to all types of organizations, regardless of their size or location. This International Standard is intended to promote common understanding in the field of social responsibility, and to complement other instruments and initiatives, not to replace them.

It provides guidance on the core issues pertaining to social responsibility:

- Concepts, terms and definitions
- Understanding of background, trends and characteristics
- Guiding principles related to social responsibility

- Contents of social responsibility, core subjects and issues
- Integrating and implementing social responsibility
- Identifying and engaging with stakeholders
- Communicating performance
- Annexes providing references and sources

7 Principles

1. Accountability

This suggests that an organization should be accountable for its impacts on society, the economy and the environment. The organization should accept appropriate scrutiny and also accept a duty to respond to this scrutiny.

2. Transparency

The organization should be transparent in its decisions and activities that impact on society and the environment.

3. Ethical behaviour

This behaviour is based on the values of honesty, equity and integrity. This implies a concern for people, animals and the environment and a commitment to put the impact of the organization's activities on the stakeholders' agenda.

4. Respect for stakeholder interests

The organization should respect and respond to the interests of its stakeholders. This means to identify the stakeholders and consider the views of stakeholders whose interests are likely to be affected by a decision or activity.

5. Respect for the rule of law

This principle is mandatory. All socially responsible organizations should be managed according to this principle.

6. Respect for international norms of behaviour

The organization should respect international norms of behaviour and at the same time comply with all applicable laws and regulations. Examples of international norms of behaviour are universal human rights.

7. Respect for human rights

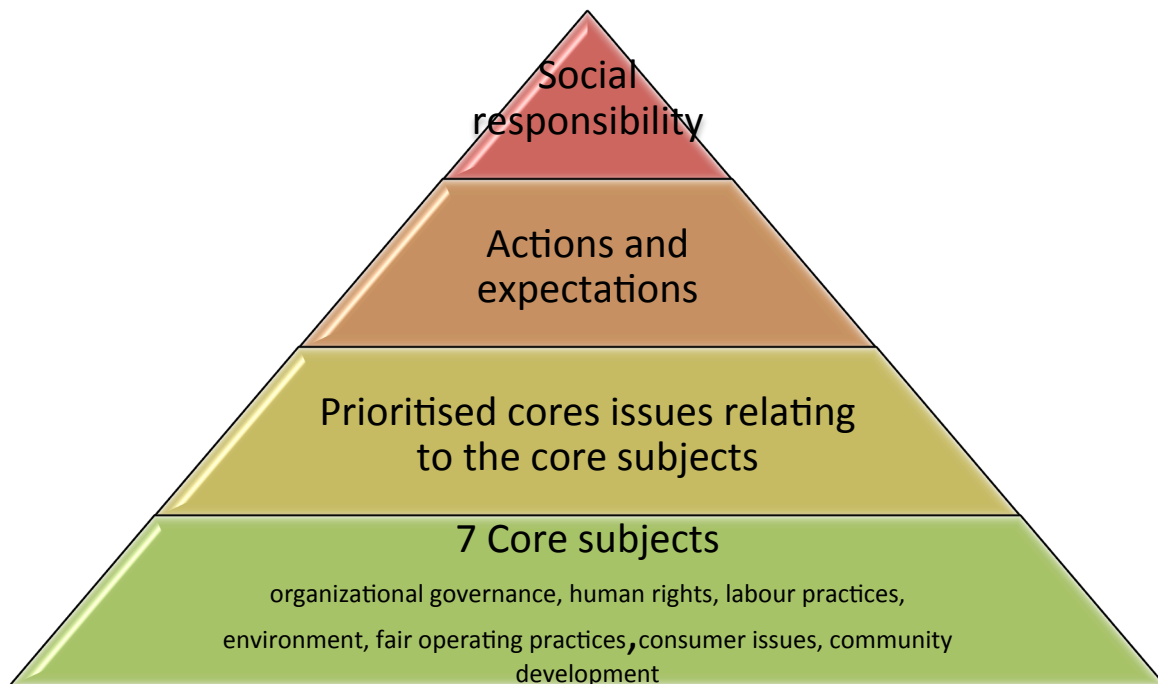
Socially responsible organizations should recognize the universality of human rights.

7 Core subjects

The standards specifies seven core subjects of social responsibility. Each core subject includes a range of issues of social responsibility. ISO 26000 is a standard providing guidance. This means that the organization itself has to consider which subjects should be essential activities for social responsibility. When the organization has found the relevant subjects and has set their priorities, the work can start. Then measures are implemented and expectations are expressed. By implementing this procedure, social responsibility is

integrated into the business – and in time the organization can achieve maturity in social responsibility.

It is important to note that the guiding principles must be the basis throughout the entire process.



In order to identify relevant issues and be able to set priorities the organization should address the following core subjects:

1. Organizational governance

Effective organizational governance is the most crucial factor in enabling an organization to take responsibility for the impacts on society, environment and economy. ISO26000 recommends incorporating a system that makes it possible to put the guiding principles into effect.

2. Human rights

In this context socially responsible behaviour means among other things to take measures in order to prevent the organization from causing or accepting human rights violations, to be alert in situations in which the risk of human rights abuse may be exacerbated, to exercise due diligence and avoid discrimination.

3. Labour practices

This core subject includes all activities performed by the organization or on its behalf. In this context it means conditions of work, social protection, collective negotiation, etc.

4. Environment

Every organization causes environmental impacts through its activities. According to ISO 26000 a systematic, integrated and comprehensive approach to these challenges should help reduce the environmental actions to a minimum.

5. Fair operating practices

ISO 26000 recommends all organizations to emphasize the values of honesty, equity and integrity. Fair operating practices include anti-corruption, responsible political involvement, fair competition, respect for property rights and the promotion of social responsibility in the value chain.

6. Consumer issues

A socially responsible organization is characterized by fair marketing, factual and unbiased information available to consumers, fair contractual practices, protection of health and safety, contribution to sustainable consumption, assessment of universal design and accessibility for vulnerable groups

7. Community involvement and development

An organization's community involvement should arise out of recognition of the interaction between the organization and the community. The organization should have a plan for its contribution to community development.

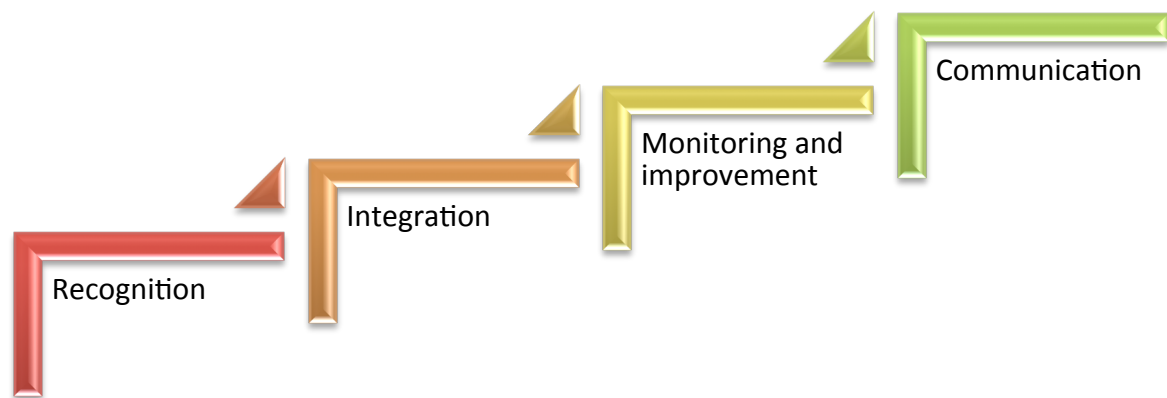
Why should the standard be applied?

Because it's the right thing to do. The organization benefits from addressing social responsibility in various ways:

- Competitive advantages
- Enhanced reputation
- Ability to attract customers, workers, members and users
- Ability to maintain employees' morale, commitment and productivity
- Strengthened relations with investors, owners and sponsors
- Improved relations with authorities, media, suppliers, competitors and the society in general

How to get started?

Buy the standard and read it! Then follow the process step by step...



First step.

Recognize the organization's impacts on society and society's expectations to the organization. Identify stakeholders and involve them in a dialogue. Identify the core subjects and issues which are relevant to the organization.

Second step.

Integrating social responsibility in the organization may imply for example to record and report on its significant sources of pollution and if relevant its reduction of water consumption, waste generation and energy consumption.

Third step.

Focus on results and monitor, control and evaluate the work that has been started. Activities with maximum significance should be selected first.

Fourth step.

There are many and different types of communication on social responsibility. Examples include communication through marketing, meetings, product information, dialogue and reporting. Socially responsible communication must be correct and timely.

Knowledge of these expectations gives the organization the best starting point for addressing its integration of social responsibility.

It's important to remember that *nobody* can do everything, but *everybody* can do something!