

CSR: Is it relevant for us?

Corporate Social Responsibility – meaning the ethical behaviour of a company towards society – is the new buzzword in Europe. Conferences and seminars abound, and employers' organisations work on the issue as much as NGO platforms and governments. It is easy to be baffled by the broad scope of actors in the field – government, business, civil society – and by the sheer number of standards, certifications, labels etc.

First of all, CSR touches and interlinks many subjects that have long been treated as isolated issues. In broad terms, it looks at the environmental, social and economic responsibilities of companies. According to this approach, companies are not only responsible for their economic viability; they also have to respect the environment, their employees and the communities where they are active. A set of indicators is used to measure a company's CSR. This in turn is increasingly used to choose company stocks for ethical, sustainable or SRI investment funds (SRI = socially responsible investing). These funds provide leverage to encourage companies to improve their performance and public reporting in these fields.

SRI is becoming more important in the financial world. CSR and SRI have to be understood in the timeline of regulatory approaches, leading from the "command and control" governmental regulation of the 60s and 70s to companies' self-regulation in the 80s and 90s, and currently, after corporate scandals that shook the foundations of the global economy, to a more co-regulative approach. Companies should, on the one hand, abide by the law and, on the other hand, go beyond legal requirements wherever possible.

CSR advocates cite many reasons why companies should engage in CSR activities. Two main lines can be distinguished:

1. The business case: companies should improve their competitive edge through creating new markets, improve their profile as employers, minimise reputation risks, reducing environmental costs etc.
2. The "social justice" case: companies should behave as corporate citizens and therefore contribute to more social cohesion (or at least avoid detrimental activities).

It is evident that to NGOs, and more particularly to the LGBT movement, the second line is more important but the business case argument should not be underestimated.

The social perspective of the CSR approach includes the way in which companies treat their employees, and this is where diversity or equal opportunities come in. They are a feature in most analysis schemes for companies' social responsibility. Though within the diversity section, sexual orientation is only one among many categories, a survey of major CSR research organisations in Europe showed that along with gender and ethnic origin, religion, disability and nationality, sexual orientation is a prominent category of diversity analysed.

With regard to diversity management, most companies still struggle to get to grips with changing legal requirements, such as EU anti-discrimination

legislation. The number of companies with a code of conduct addressing equal opportunities on the grounds of sexual orientation is increasing gradually. But there are still very few companies that translate these codes into concrete programmes. European subsidiaries of US-based companies, like Ford or Procter & Gamble, tend to have the most advanced diversity policies, partly because diversity is a US approach that has not found widespread support in Europe yet. But by and by, European companies follow suit. For instance, Deutsche Bank organised the first European conference on diversity management and sexual orientation in Frankfurt this June.

The LGBT community has very clear interests to get involved in the CSR debate. There are 60,000 transnational companies worldwide with 800,000 affiliates, as well as 50,000 domestic companies that are listed on stock exchanges. These are all employers with tens of thousands of employees. CSR can be a leverage to fight discrimination against LGBT employees and to promote change in human resources management systems. NGOs can choose between carrots and sticks: either they engage in collaboration with companies that are open to their concerns. Or they go for the politics of confrontation where they fall on deaf ears. In any case, the business world has a lot to learn from the specific expertise that only the LGBT community can provide, as they have a lot to contribute to making workplaces work for LGBT employees.

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