

The Future Faces of CSR Activism

By Wayne Visser

The third principle of Transformative CSR, or CSR 2.0, is responsiveness. (We explored creativity and scalability in the last two posts). Some of the most important players in the responsiveness game – especially through cross-sector partnerships – are civil society organisations (CSOs, which I prefer rather than the term NGOs). Reflecting on how this sector is changing in the face of increased calls for responsiveness, I have distinguished 10 'Paths to the Future' for CSR activism. I believe that CSOs acting in the CSR space will increasingly be:

1. Platforms for transparency – Undertaking investigative exposes & hosting disclosure forums;
2. Brokers of volunteerism – Providing project opportunities for employee volunteers;
3. Champions of CSR – Raising awareness and increasing public pressure for CSR;
4. Advisors of business – Offering consulting services to business on responsibility;
5. Agents of government – Working with or on behalf of regulatory authorities;
6. Reformers of policy – Pressuring for government policy reforms to incentivise CSR;
7. Makers of standards – Developing voluntary standards & inviting business compliance;
8. Channels for taxes – Receiving and deploying specially earmarked tax revenues;
9. Partners in solutions – Partnering with business/government to tackle specific issues; and
10. Catalysts for creativity – Creating social enterprises & supporting social entrepreneurs.

Let's explore these 'future faces' of CSR activism in a little more detail below, drawing on examples from around the world of CSOs emerging roles.

Platforms for transparency – The role of CSOs as agitators for, and agents of, greater transparency seems set to continue. For example, in Senegal, Benin, and Guinea, CSO intervention has been critical in the development of a free press. And in India, Karmayog allows citizens to report specific instances of bribery and corruption on a live, public website.

Brokers of volunteerism – As companies increasingly see the benefits of volunteerism (greater job satisfaction, productivity, commitment and loyalty), CSOs are increasingly becoming people-brokers, as sources of projects for employee volunteers. For example, the Voluntary Workcamps Association of Ghana (VOLU) coordinates volunteers to help with the construction of schools, reforestation and AIDS campaigning.

Champions of CSR – While some CSOs remain sceptical about CSR, in many countries they are the main agents for promoting CSR. For example, in Iran, a group of CSOs have joined forces with the UNDP to promote CSR through targeted training for managers under the umbrella of the UN MDGs. And in Senegal, CSR awareness has grown mainly due to a CSO called La Lumière in Kédougou.

Advisors of business – A combination of genuine expertise, valuable perspectives and a crunch on funding means that many CSOs are turning to consultancy, working with and advising companies not only on specific social and environmental issues, but also more generally on sustainability and responsibility. For example, in Hungary, as opposed to the traditional role of watchdog, many CSOs engage in consultancy on CSR.

Agents of government – The phenomena of GONGOs (government organised NGOs), GINGOs (government-inspired NGOs), GRINGOs (government regulated/run and initiated NGOs) and PANGOs (party-affiliated NGOs) are becoming more widespread, no longer just seen in China. Even where governments are not setting up or running the CSOs, they are supporting them as key

catalysts. For example, Belgian CSOs receive €3 government funding for every €1 they raised themselves.

Reformers of policy – Realising that the ‘rules of the game’ need to change, CSOs are increasingly getting involved in legal reform. For example, in Indonesia, it was largely due to rising pressure from CSOs that the Law No. 40/2007 concerning Limited Liability Companies was introduced to make CSR mandatory.

Makers of standards – In an effort to raise the bar on voluntary action by companies, many CSOs are developing their own social and environmental codes and standards, then inviting business to comply with them. For example, in Israel, the Public Trust Organisation established The Public Trust Code, covering advertising, transparency, disclosure, service and product guarantees, honesty in contracts and privacy of information.

Channels for taxes – In some countries, the effectiveness of CSOs has earned them the ability to source tax dollars directly. For example, in Mexico, the FECHAC (Federation of the Chihuahuan Industry) is a CSO, set up after devastating floods in 1990, that is funded through a special annual tax on more than 38,000 industries. And in Romania, the 2% Law (in terms of the Fiscal Code) allows citizens to redirect 2% of personal income tax to a CSO.

Partners in solutions – Not only are CSOs collaborating with business more and more, but also with governments and multilateral agencies. For example, in South Korea, ‘Cross Sector Alliance’ is one of 5 approaches to CSR being promoted, while in Africa the New Nigeria Foundation provides a platform for mobilizing non-traditional resources through public-private partnerships. In Turkey, TUSEV promotes linkages between domestic and international CSOs and encourages CSR by putting foreign and domestic firms in contact with appropriate CSOs.

Catalysts for creativity – CSOs are increasingly expected to provide solutions, not just point out the problems, especially by launching or supporting social enterprises. For example, in Bangladesh, BRAC (formerly Bangladesh Rural Advancement Committee) has been crucial in the microcredit movement, and in Singapore, the National Trades Union Congress (NTUC) has 12 social enterprises and 4 related organisations that are owned by more than 500,000 workers.

However the future unfolds, it is clear that CSOs will be a significant player in the new landscape of responsible governance and accountability, both as a counter-balancing force and a partner to governments and business. In fact, I believe CSOs will be the responsive glue that holds society together in the turbulent years ahead. Do you think CSR activists are up to the challenge?

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