

## **Editorial Notes**

# **Corporate Social Responsibility Management System Standard: Is it Possible?**

When ISO 26000 published its first draft there were great expectations both inside the technical committee members and among the experts around the world that it would bring about drastic changes. This was mostly due to the world's taste for such a courageous effort. The amount of comments were so huge that the dates for issuing the draft at different stages of its progress were all delayed. It was in fact in part also due to some expected resistance on the part of those powers who were confronted with a possible great threat. Some definitions were going to be established as an international standard. Issues related to human rights, labour and environment have always been strongly defeated by some powers. The ever increasing attention worldwide shown by many comments sent to the committee in one side and the pressure to avoid a high level of social responsibility standard altogether led to a document existing now as the **GUIDELINE** for social responsibility instead of **STANDARD**. However it is a first step and to be optimistic one should say that it is perfectly ok for a start.

One of the reasons, or better to say one of the remedies, for the powers to oppose to the creation of an international standard for corporate social responsibility is that a one size fits all approach to social responsibility is not applicable everywhere. It might be negated by emphasizing on the harmonized creature of human being, which is the real reason for any religion or human philosophy. A claim like this is equal to saying that as government in the world has its own way so they don't need any instituted sets of rule to follow and every government can create its own. And the world which is going to grow to a globalised community is the best forum to reject this claim completely. Social responsibility is a matter of concern for human kind everywhere and in every aspect of their life consisting of technology and engineering, justice and law, labour and consumption and so on. To put it into a nutshell social responsibility is the discipline and rule set of life: both career life and social life.

It say it all that a corporate social responsibility management system standard, if one day available, would have a very wide scope. It would incorporate almost all expertise and different issues related to environment and what is dealt with in ISO 14000 as a management system standard and also to quality and what is dealt with in ISO 9000. And has the potential to encompass both in it. And as emphasized in both, it should

involve the top management of the organization. Actually a very important issue related to corporate social responsibility and its visualisation in any organization is this involvement. In this respect books highlight different areas of social responsibility for explanation and prioritisation but what matters is how to put all into practice. Corporate social responsibility, which can be somehow clarified as sustainable development in the small scale of an organization, needs the active participation and involvement of the top management to take place.

But a modern world is faced with risks such as resource depletion and many economic crises. So a top management needs to be a creative change manager to create enough resilience and flexibility in the organisation against possible risks, threats and sudden changes endangering its sustainability. However obviously an organization can only achieve to its ultimate aim of sustainability or durability by seeking for the requirements of sustainable development. And such requirements are only achieved for an organization through implementing social responsibility principles in the small scale of the organization. This is because management of risk is a very nature of social responsibility and it is the way an organization survives in the market.

This is where governance comes into play – in determining not so much what is done as how it is done. The focus of concern for sustainability and for social responsibility is just this – not just the what but also the how and the why. The financial and economic crisis of the last few years has shown that there are failures in governance and problems with the market system. In the main these have been depicted as representative of systemic failures of the market system and the lax application of systems of governance and regulation. Thus many people are arguing for improved systems to combat this. Naturally many people have discussed these failures and the consequent problems and will continue to do so into the future. It is not of course the first such crisis and the market economy has been proceeding on a course of boom and bust for the last 20 years which is not dissimilar to that of the sixties and seventies which the neo-conservatives claimed to have stopped. The main differences are that recent cycles are driven by the financial markets and the era of globalisation means that no country is immune from the effects felt in other countries.

All systems of governance are concerned primarily with managing the governing of associations and therefore with political authority, institutions, and, ultimately, control. Governance in this particular sense denotes formal political institutions that aim to coordinate and control interdependent social relations and that have the ability to enforce decisions. Increasingly however, in a globalised world, the concept of governance is being used to describe the regulation of interdependent relations in the absence of overarching political authority, such as in the international system. Thus global governance can be considered as the management of global processes in the absence of form of global government. There are some international bodies which seek to address these issues and prominent among these are the United Nations and the World Trade Organisation. Each of these has met with mixed success in instituting some form of governance in international relations but are part of a recognition of the problem and an attempt to address worldwide problems that go beyond the capacity of in-

dividual states to solve. The same is of course true of governance at the level of the company or other organisation. And governance is clearly about relationships with all stakeholders and not just with shareholders. All the better – and hence more successful – organisations clearly understand this as well as understanding that the how is every bit as important as the what.

So we are concerned with an ethical approach to corporate behaviour – and ethics is of course a topic which causes much debate. Suffice it to say here that ethical lapses continue to permeate corporate endeavour and have undoubtedly been the cause of the economic problems the world has been experiencing for the past five years. So we can see that all aspects of corporate social responsibility – and its triple bottom line – coincide in the areas of ethics and governance. So we can see that the seemingly diverse topics of the papers in this issue are in fact inextricably related to each other and are simply the different aspects of the same issues. There are many facets of these issues and all are welcome in this journal – study of this issue and past issues will illustrate the range which we publish. So I encourage you to join the debate by submitting your paper. First though read and consider the papers in this issue.

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