

## Social Responsibility: ISO's role in development of social opportunity

by Daniel Gagnier



The reason for establishing the ISO advisory group on social responsibility was rather simple. After establishing ground-breaking International Standards on quality management and then on environmental management, ISO, recognizing that the Bruntland definition of sustainable development had evolved, was interrogating itself over the concept of “corporate social responsibility”. The questions ISO formulated were basic ones:

- Should ISO proceed with work addressing the social responsibility (SR) of organizations?
- If so, what form should it take?

ISO also recognized that SR has been given heightened visibility and relevancy by the Johannesburg Conference on Sustainable Development and that businesses,

as well as governments and other organizations, were increasingly involved with the concept and the practices of social responsibility – the wider term preferred by ISO since it can be applied to all organizations.

The need for a multi-stakeholder forum to discuss and debate all aspects of the issue in attempting to formulate an answer to the questions was not only accepted, but was put into the scope and mandate of the process.

The first meeting of the advisory group demonstrated two characteristics of SR – its relative newness as a driving force and its dynamic and rapidly evolving nature. A third characteristic arose as the group deliberated on “What is it? Where is it going? and What are its drivers?” That characteristic was its attractiveness and critical role in sustainable development whether you are an international institution, a national government, a business, or a nongovernmental organization (NGO).

In other words, SR did not seem to belong to anyone and yet everyone was laying claim to its component parts and wanted to ensure that in its broad coverage it did not negate or diminish the sovereign role of government, invalidate the international conventions and/or treaties in the body politic over many

decades, or, in a sense become the captive of any one party.

The first premise that appeared self-evident to me was that if such is the case then it would be illogical to put forward the proposition that “everyone can create value for advancing the cause of social responsibility except ISO”.

The second was that if SR was that broad and encompassing, then unless a civil and respectful group of well-intentioned people decided to create a rupture, we would not want collectively or individually to fail to answer the questions and to identify how value could be delivered.

### Recent SR trends

These trends as enumerated by the group only reinforced the above. We recognized that there are a growing number of international instruments of inter-governmental bodies such as the United Nations, the International Labour Organization and the Organization for Economic Cooperation and Development which all articulate at a global level basic societal norms of acceptable conduct.

Advances in communication technology and in media have enhanced our ability to track SR activities around the globe and to disseminate quickly information on these



**Daniel Gagnier** is Senior Vice-President, External and Corporate Affairs, Alcan Inc. He chaired the advisory group set up by ISO in early 2003 to help it decide on eventual involvement in social responsibility. (see also pages 17-19).

Daniel.Gagnier@alcan.com

activities and on the impact they are having to improve the lives of people, or to improve the equity between the have and the have-nots.

Multi-national corporations and businesses of all sizes play an increasing significant role in the lives of people and in the exchange of goods, services and investment. The public and shareholders, and governments too, expect increased public disclosure on the economic, social and environmental aspects and impacts of corporate behaviour. This has led to an increased recognition of the importance of intangible assets in the balance sheet of corporations and the importance of reputation in determining the value of a business.

### Can ISO add value?

The discussions on whether ISO could add value to existing SR indicatives permeated

every meeting and discussion. Without a common definition of SR, with ISO seen by some as a body of technical experts ill-equipped to deal with a concept that touched on social and political mandates, and given misunderstandings of ISO’s terminology and processes, it was improbable that a consensus would emerge. The discussions turned around issues like the following:

- Does ISO have the competence to develop a credible SR “deliverable” (International Standard or other form of normative document)?
- Range of expertise needed by ISO to undertake work in the SR area;
- Should ISO engage others in the SR development process?
- How should ISO relate to others developing SR initiatives?
- Capacity of ISO to develop performance requirements on SR issues.
- Ability of ISO to accommodate sector- and issue-specific SR deliverables.

I will not reproduce the AG’s recommendations here as the reader can find them on the ISO SR conference Web site ([www.iso.org/sr](http://www.iso.org/sr)) along with our report but I do want to share my views on why the AG, the ISO conference on social responsibility and ISO’s subsequent decision to develop SR guidelines represent an alignment on a path forward.

The AG recommendations were framed in the optic that “yes, ISO could deliver value

if it recognized certain caveats that are clearly articulated in the AG's report". The "deliverable" should be, at least at this stage, a guidance document.

The SR conference saw some 355 international stakeholders come together in Stockholm in June to consider, discuss and deliberate the AG's Report. Included in this assembly were the representatives of 33 developing countries who, with the support of the Swedish Standards Institute (SIS) and Swedish International Development Cooperation Agency (SIDA) held a two day pre-conference workshop to formulate their position.

### Unanimous decision

Their unanimous decision to approve the AG's recommendations and, more importantly, their willingness to lead and chair the next phase should ISO make that decision, was an indication of the importance they place on continuing work in this area.

It also indicated their belief that ISO has a responsibility to lend the strength of its brand and membership network to raising awareness and understanding of what SR involves and how organizations can contribute to making our world, our communities and our people better and more sustainable. Benefit to people and the quality of their lives is a goal at the core of ISO, the UN, the ILO and many others and is the essence of social responsibility.

It is also a goal of business and corporations of all sizes. You cannot have a sustainable business in an unsustain-

able world. Those of us in business or business associations recognize this and see it reflected in policy statements of both associations and individual companies.

In truth, you cannot build a wall high enough to protect company operations if a community considers you a negative to their desire to prosper economically, improve their environment and better their social conditions and benefits. Social responsibility in this sense is a critical and integral component of sustainability.

In agreeing to set up a working group on social that will report directly to ISO's Technical Management Board and which will be co-chaired by a developing and a developed country, ISO has given its imprimatur to the AG's recommendations as a package.

ISO has taken an important step in deciding to use its expertise and to acquire new expertise to add guidelines on social responsibility to its portfolio of standards that represent "the global standard" for the betterment of the world's people. Surely, this is worthy of our full and continuing support.

The alternatives of inequity, of economic and social injustice coupled with environmental degradation and human misery are unacceptable. This is the reality that led to the underlying positive conclusion to the AG, the Stockholm conference and ISO's deliberations – it is what has made and will continue to make failure unacceptable. •