



CSR in Outsourcing, Who Cares?

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Introduction by Sijmen Vrolijk



CSR gains further importance for organizations*, some external factors influence this...



- Stakeholders (clients, shareholders) are becoming increasingly aware of actions taken by organizations and expect sustainable ways of doing business;
- Governments and regulators are defining their requirements for sustainable conduct Guide businesses curb their carbon emissions;
- Non-governmental organizations have established sustainability standards to measure global organizations in their CSR performance.

* Babin & Nicholson (2012)

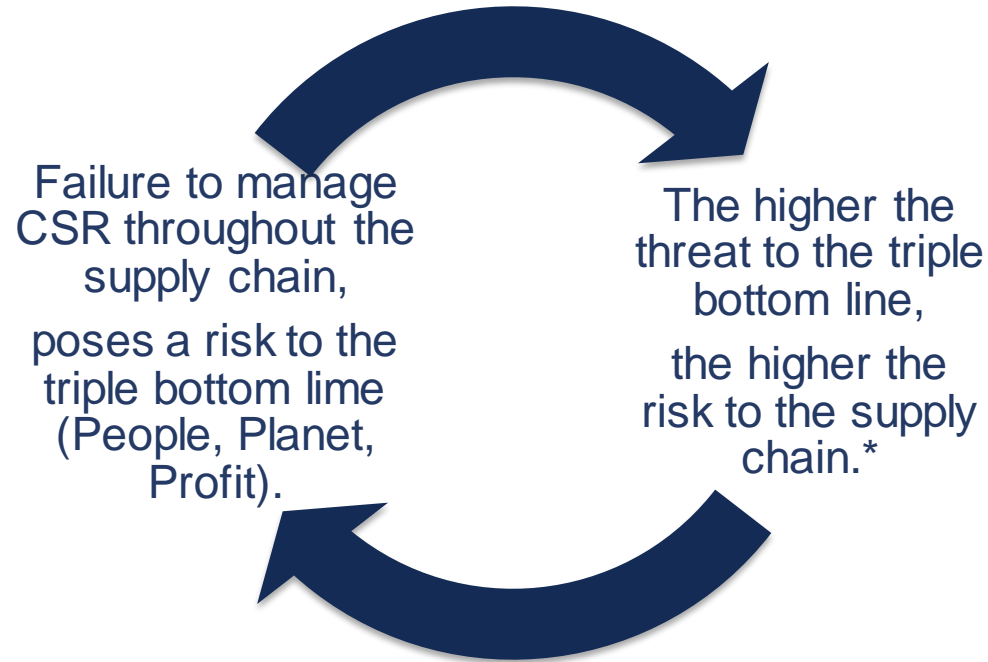
Businesses are adopting CSR for several reasons*



- To enhance their reputation;
- To preempt legal sanctions;
- To respond to the aforementioned NGO actions;
- To manage risks, and/or
- To generate customer loyalty.

* Cruz (2009); Seuring & Müller (2008)

Sustainable supply chain management is essential for effectively implementing and managing CSR



* Pagell, Wu & Wasserman (2010)

Implementing effective CSR policy/management can be done following ISO 26000 and ISO 20400 standards



ISO 26000 – a CSR standard

- Organizational governance;
- Human rights
- Labor practices
- Environment
- Fair operating practices
- Consumer protection and issues
- Community involvement and development

ISO 20400 – standard for sustainable procurement

- Create the right conditions
- Use appropriate management techniques
- Incorporate CSR goals in procurement activities
- Manage sustainability in the supply chain

This study aimed to understand the driving factors of outsourcing decision-makers



- Reasons for including CSR in outsourcing decisions;
- Focus areas for CSR in decision-making;
- How CSR is taken into account in decision-making.

This study uniquely extends existing research by covering responses from all main sourcing professionals: Service Providers, Advisors and Customer Buyers.

Methodology and outcomes by Karin Joanknecht



Main recommendations to the outsourcing market

Customers / Buyers

- Be vocal about the pursuit of CSR, let others know it is an elementary aspect of doing business with you.

Service Providers

- Find out why and how your clients value CSR, match your proposition to their strategy.
- Having sustainability high up on your own agenda ensures recognition for CSR capabilities by your clients. Set the standard and lead by example.

Advisors

- Since it is in your interest to see both sides succeed, Advisors are the perfect catalyst for spreading knowledge on CSR, and improving the skills level and maturity of the field.

Strengths, weaknesses and follow up options for this research



Strengths:

- International nature of the study, multiple point of view
- Comparison between different sourcing players

Weaknesses:

- Narrow reach of survey and relatively small respondent group
- Not big enough to split results demographically or per geography
- Respondents active on different contracts
- Respondents might be biased as a CSR entrepreneur entering the survey

Follow up research:

Bigger group

and/or

Qualitative study



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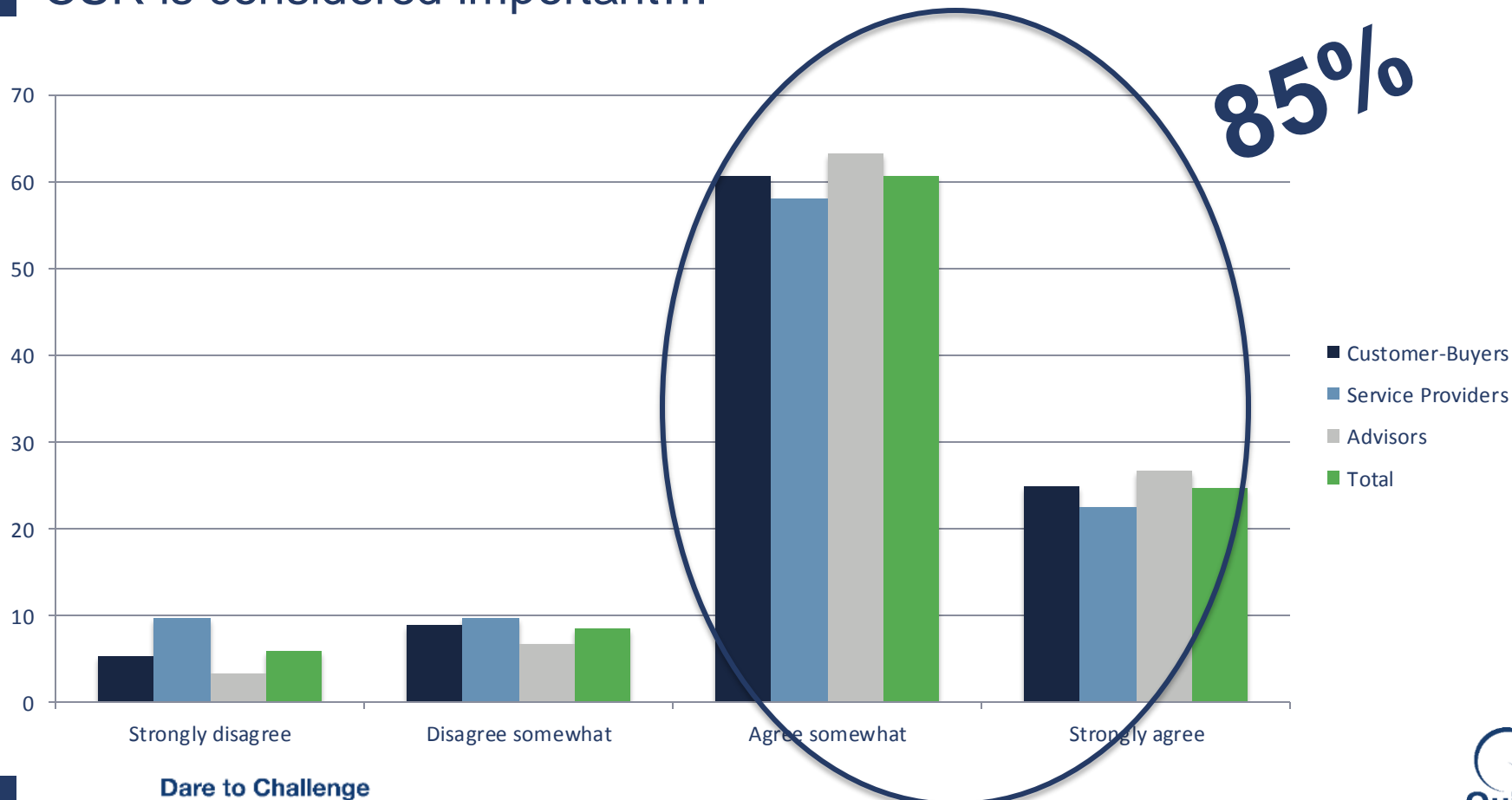
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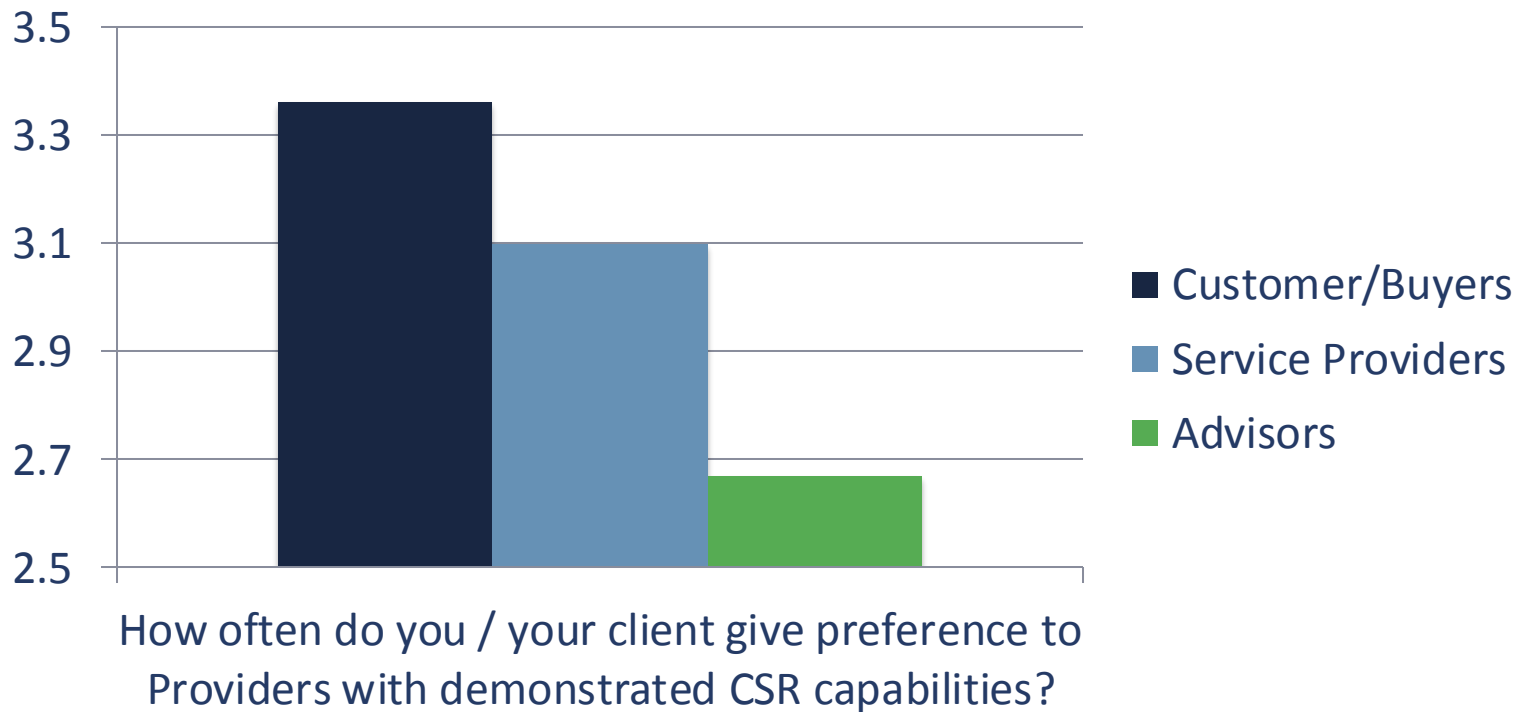
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CSR is considered important...

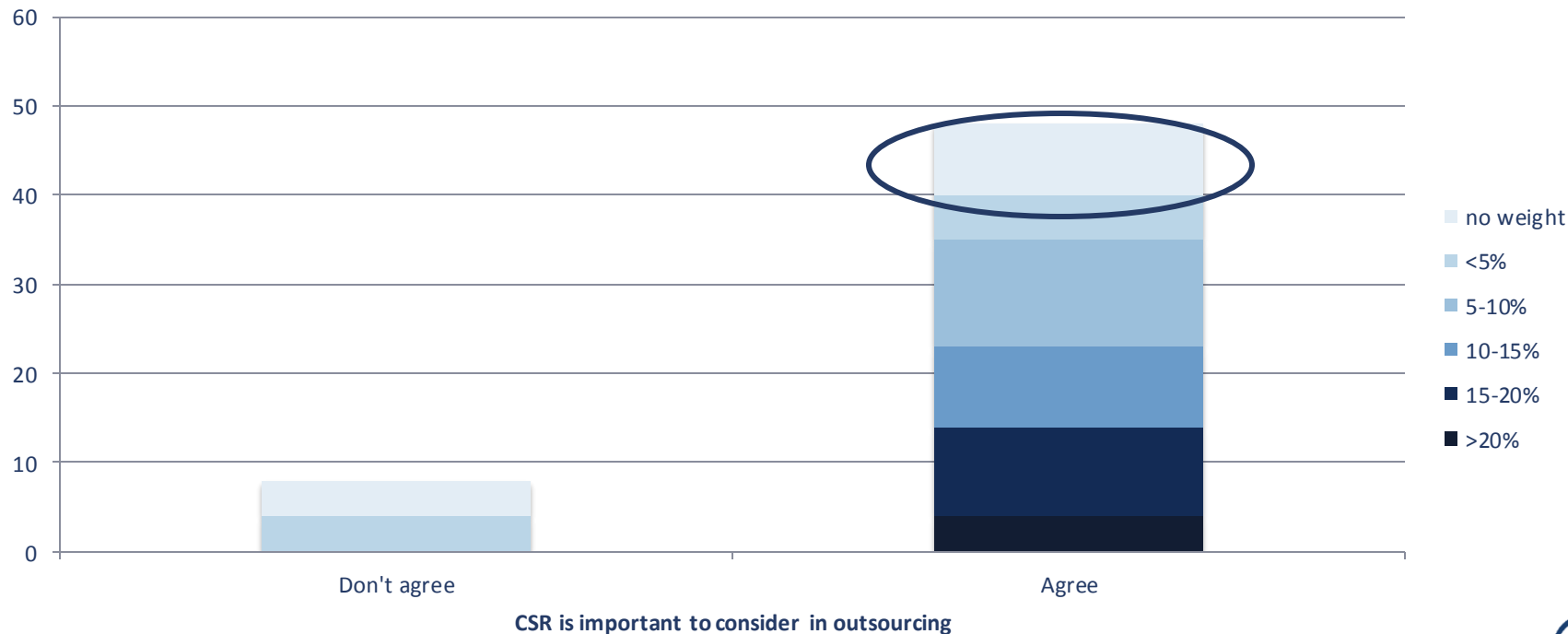


...but not everyone sees the effects, yet.



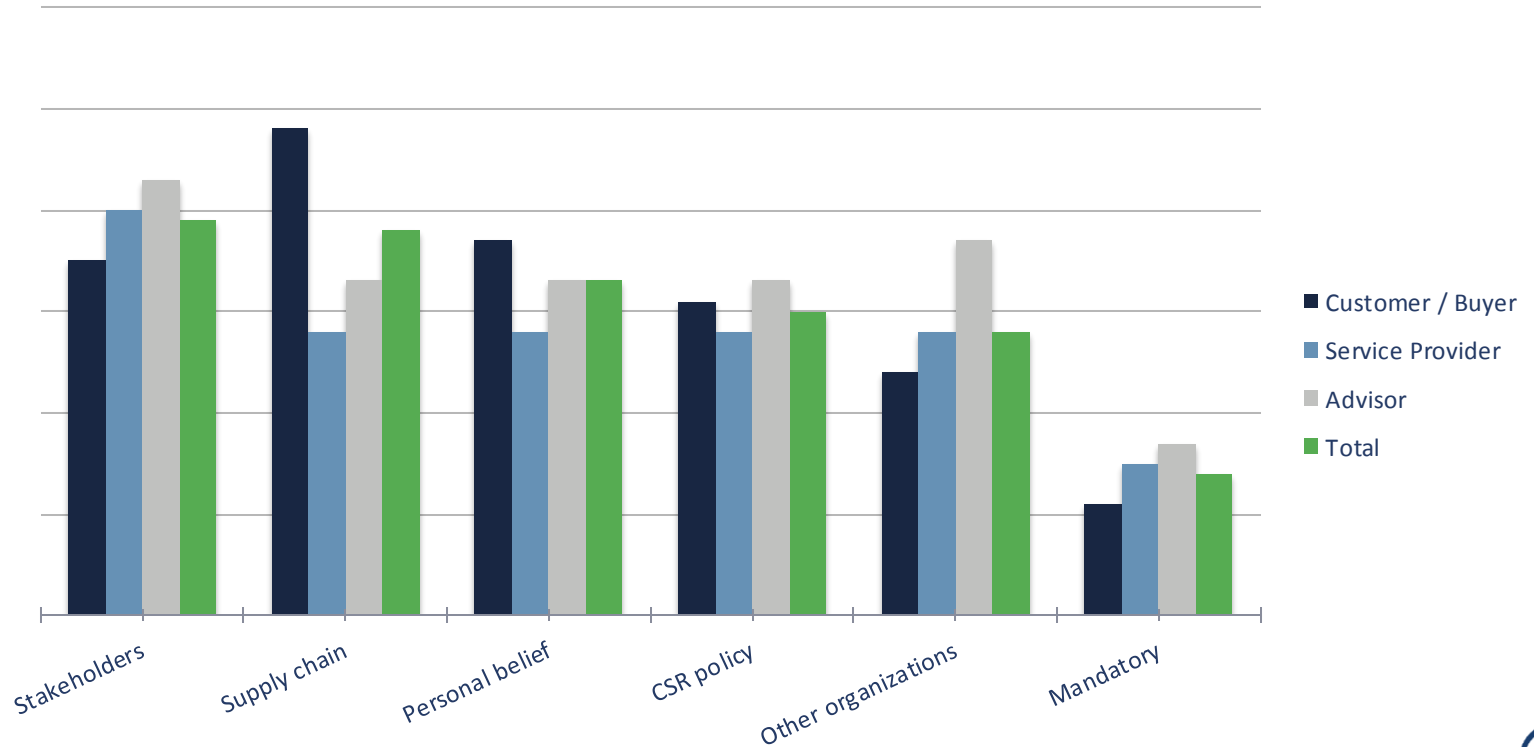
There is a noticeable gap between intention and action

Weight assigned to CSR capabilities by Customer-Buyers

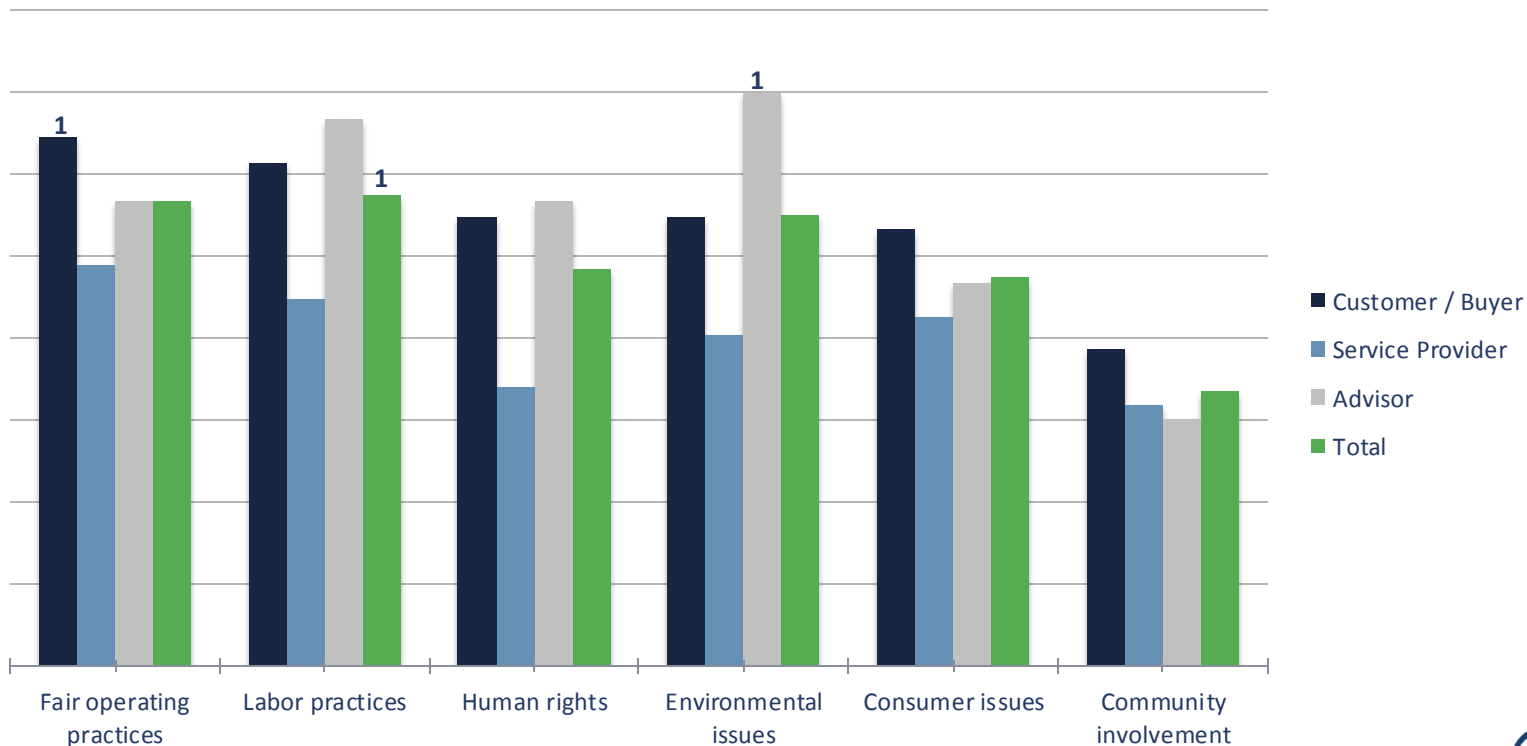


Dare to Challenge

The reasons for CSR are in line with previous research



Food for thought: a significant discrepancy in prioritization



Dare to Challenge