

# Corporate Social Responsibility (CSR) and Corporate Governance (CG)



Corporate Social Responsibility (CSR) is a concept that aims to help organisations achieve a balance between profitable operation and ethical practice. By achieving this, they not only meet the expectations of investors and other stakeholders, but also demonstrate a commitment to social and environmental responsibility.

Achieving a balance between profitability and accountability is likely to be a considerable challenge for most organisations. This is why an effective CSR management system has to be developed.

Corporate governance (CG) is often associated with CSR. It is concerned with how the organisation is managed, providing a system by which organisations are effectively directed and controlled. It also specifies the distribution or rights and responsibilities within the organisation. This covers groups such as the board, managers, shareholders and other stakeholders, and spells out the rules and procedures for making decisions on corporate affairs.

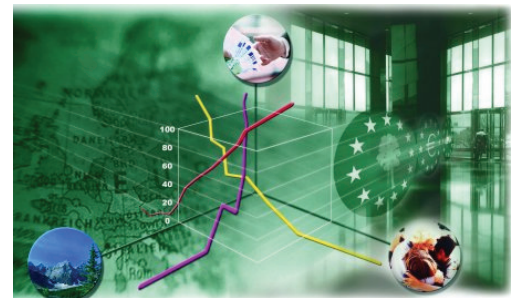
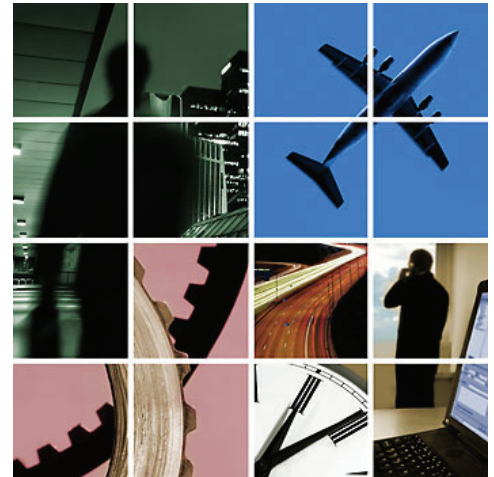
There is growing pressure on boards of directors to not only fulfil their monitoring/directing role but also to be a source of advice and counsel for executive managers. They also need to take an active role in ensuring that the organisation is adequately resourced. Senior management is responsible for the management of the organisation, which, is really a system made up of processes, supported by resources and designed to deliver results. The management is therefore responsible for the system and as corporate governance is part of the system, it must be part of CSR.

They are inextricably linked. One cannot be addressed without the other and critically; both are addressed and delivered via a single Business Management System.

The principles of ISO 14001:2004 and BS OHSAS 18001:2007 are sound for any organisation, good principles for a whole-Business Management System. However, it is the cross-functional processes that actually deliver performance – and that is what your stakeholders, including your customers, will judge you on. If you build your EMS or HSEMS first and foremost as a Business Management System, then customers, as one of your key stakeholder groups, will have their needs balanced against all others and all other standards, models and frameworks they require incorporated – the true definition of CSR.

We assist private and public sector Clients in delivering CSR and CG strategies:

- Business Management System Thinking
- Stakeholder engagement
- Communications
- Architecture and solutions delivery
- Pinnacle360° assessments
- Knowledge transfer
- Management portals



**Contact: Phil McNee  
CEnv, FIEMA on +44  
(0)7506 725079**

[www.pinnacleassoc.com](http://www.pinnacleassoc.com)