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The Role of Strategic CSR in a post-war development of Sri Lanka

(This is an interview with Mr. [Uchita de Zoysa](#) who is an internationally acclaimed sustainability campaigner and CSR expert. Currently he is the Managing Director of a CSR agency called D&D Strategic Solutions, Chairman of the sustainability solutions network called Global Sustainability Solutions, and the Executive Director of the environmental and social justice group called Centre for Environment ad Development.)

What is the post-war development challenge we face in Sri Lanka?

Now that the war has ended, my fears are sifting towards a potential rush towards a visionless unsustainable development process that may take us towards a meaningless future. While rejoicing this victory, the commitment towards nation building is yet to commence. This may be a greater struggle that will require vision, wisdom and commitment towards a country build on principles of peaceful co-existence and sustainable prosperity. I mostly fear that a visionless path of development will be rushed in and leave us wandering after another 3 decades as well. I fear that we are now about to loose our future to an unknown wave of rapid growth based development chaos. Why I fear is because, once again who will be victimized would be the same poor families irrespective from their Tamil, Muslim and Sinhala ethnicities. The world is driving towards more wars than peace; including climate related ones as well. Sri Lanka has a historical opportunity to rethink and regroup now. The greatest challenge will be to achieve a sustainable vision driven process that brings wellbeing, happiness and prosperity to all.

Are we ready for true development?

We are far away from entering any true development in this country as we lack a vision and strategic plan towards sustainable development. This nation lacks a “Dialogue” on the way forward towards prosperity. This is not the sole responsibility of the government, who are already burdened by local and international pressures. Where do you see the intelligentsia of this country coming out independently to form a collective development vision? Where do you see the corporate leadership coming together beyond their business interest to drive national productivity planning? Where are the peoples’ movements trying to reach out towards the healing and building pathways towards co-existence? There is lot of noise and clutter, but we lack an inclusive, collective and meaningful process that addresses sustainable development in Sri Lanka. Till this dialogue happens

we will always be behind readiness and preparedness towards any meaningful and true development in this country.

What is the role you see that “Strategic CSR” would play in the development of Sri Lanka in years to come?

These are times that the corporate sector is attempting to showcase themselves as champions of the social cause. CSR or corporate social responsibility has become a key tool to safely keep business and industry aligned with rest of the happenings in the country and the world. Yet, we are still to witness strategic CSR practiced in Sri Lanka. This is because, the corporate sector as like in most other sectors too lack a vision that is synonymous with the peoples aspirations. As businesses in Sri Lanka are based on conventional western market theories, the thirst for an authentic and homogeneous business model does not exist. The scale of business also being as small as the geographical size of the country unfortunately does not match the ego’s of the sector and the mountainous aspirations of the people. Hence, strategy in the cotemporary business community would essentially mean to penetrate more inward investment and outward resource migration. This is the strategy we firstly need to get rid of if any development is to be achieved.

The role of strategic CSR will have to be founded in triple bottom line engagement, where business engages with economic, social and environmental considerations and stakeholders of the nation’s development. Business and industry leaders and the corporate management and employees will require greater comprehension of CSR and its strategic tools, if to make any true contributions to society and causes. While rebuilding the nation is a lucrative opportunity, the capability of such an exercise does require competency, expertise as well as wisdom from all. Business has a role and they need to strategically involve those competencies that have to be drawn from beyond the business sector. This is similar to the notion that the government needs to draw expertise from the business sector in nation building.

The key strategic role in CSR will be determined by the competency enhancement and preparedness within the corporate sector in sustainable development. Therefore, the role of CSR in the future development of Sri Lanka would be determined by the levels of local business embracing sustainable development and delivering triple bottom line productivity.

Once this is achieved, the corporate sector will be ready to deliver strategic CSR. A recent report released by UNEP says that boosting investments in conservation, restoration and management of natural ecosystems will not only become important, but will provide our best and most effective way to slow down climate change and accelerate sustainable development and the achievement of the poverty-related Millennium Development Goals. Now this will be true also in Sri Lanka. The role of strategic CSR will mean engagement in climate friendly clean and green business models, poverty eradication targeted social empowerment solutions, and wellbeing and happiness targeted market drivers.

What is strategic CSR?

Strategic CSR is based on triple bottom line strategies and working towards sustainable development. This stems from the understanding what CSR means first and foremost. CSR means the responsibility of a company to behave fairly and responsibly towards ensuring its stakeholders wellbeing and conserving the environment as well as towards economic progress. CSR is defined as operating a business in a manner that meets or exceeds the ethical, legal, commercial and public expectations that society has of business. CSR should be seen by leadership of companies as more than a collection of discrete practices or occasional gestures, or initiatives motivated by marketing, public relations or other business benefits. As a main stakeholder of the global and national processes for human wellbeing, the corporate sector has an inherent and uncompromising responsibility towards ensuring sustainable development.

Now, strategic CSR would mean that the process of socially responsible business activities should have a set of reliable measurement, verification, and reporting systems. Therefore, the most common CSR practice in this country, where few of the management sit across and decide what type of feel good or appear good projects, needs to be critically reviewed. CSR should not be mistaken for either a marketing tool or a charitable activity. CSR is a business approach towards ensuring its value to the society and as a license to operate within society. Like any other business activity, it requires performance indicators and accountability to guide its success. This will be most true when business enters the more social and environmental fields of business during the rebuilding of this nation.

Why are companies suddenly showing lot of interest in CSR?

There are a whole heap of reasons; rise of consumer awareness and activism; social pressure to protect the environment; growing regulatory framework; emphasis on good employee relations and human rights; critical role of supply chain & supply chain relations; recognition of stakeholder participation; public endorsement becoming more vital to operate business; business interest in assuming leadership role in society and economy; strategic capacity for building and maintaining image/reputation, etc. If corporate leadership can appreciate the above factors, then he or she will automatically understand that strategic CSR is a great win-win solution for securing a sustainable business future.

In relation to the post war development issue, we see that business is in competition to demonstrate its social obligations by linking up with governmental initiatives or supporting the welfare of the IDP's. The North and East of this country present new business opportunities along with the communities who are seriously distressed. From agriculture to SME level business development, from healthcare to nutrition, from education to vocational training, from transport to communications, from housing construction to infrastructure development, the business opportunities are unlimited.

However, the reality is that only a few with the correct connections and investments would receive the advantage over these opportunities. Therefore, lots of gold mining for opportunities are expected to take place.

Now the challenge of the private sector, specially the CSR champions, would be to steer a truly open and honest business drive towards gaining the business opportunities. If strategic CSR is to be applied, then the goodwill and smart business proposals for true win-win situations should emerge. However, all this is yet to be seen.

Is CSR practiced well in Sri Lanka?

I have said this on numerous occasions. Unfortunately CSR seem to be used as another marketing opportunity by a majority of companies in Sri Lanka and also around the world. I see four categories of companies who use CSR. First group use CSR for white washing or to cover up their bad practices; I call them the “Bad Corporates”. Second group use CSR as publicity and image building tool; they are the “Opportunist Corporates”. Third group wants to do something for the community; they are the “Philanthropic Corporates”. Fourth group understands, appreciates and uses CSR as a Sustainability Strategy; they are the “Smart Corporates”. Most companies range from group 1-3. The few who are moving from category three to four obviously have lot to offer to the society and will have a strategic advantage in corporate sustainability as well. It is sad to see marketing departments and advertising agencies rushing to redefine CSR to suite their own ends and making a complete mockery of it. It is not only resulting in CSR sadly becoming a tool for image building, but companies have yet to realize that they are not getting value and results for the investment they make on mock social responsibility projects.

What is your proposal for Strategic CSR in the new development drive?

Firstly, we need to initiate a national “Dialogue” on sustainable development in Sri Lanka. It should be an inclusive dialogue for all sectors. We need to draw up plan for short, medium and long term goals within a core vision. The strategic CSR input should become part and parcel this vision and plan, and not the other way around.