

LEADING CORPORATE SOCIAL RESPONSIBILITY IN A POST-COVID WORLD

Sustainable CSR leadership is the key to a better world, says the Social Enterprise Research Academy. *PETER GUY* reports

LOCATION **BANYAN WORKSPACE**



BONNIE LIAO, FOUNDING MEMBER AND EXECUTIVE DIRECTOR OF SERA (RIGHT), WITH PROFESSOR JESÚS SEADE, VICE PRESIDENT OF SERA

In our post-Covid world, two huge sets of problems common to all countries are only getting worse – rising wealth concentration and environmental degradation. The future business landscape will be shaped by how businesses and investors respond to today’s socio-environmental challenges through developing Corporate Social Responsibility (CSR) policies while practising Environmental, Social and Governance (ESG) integration.

CSR has evolved dramatically over the decades to represent more than corporate gift-giving or participating in charity events. The public has raised its expectations towards business to develop a “sustainable CSR” focus that sets clear ESG targets, execution and monitoring across the organisation. ESG reporting opens a door to a company’s stakeholders, especially investors, for risk assessment and management.

With the vision of being a cross-sectorial platform to advocate “sustainable CSR”, the Social Enterprise Research Academy (SERA) has been hosting symposiums and programmes to enable discussions among policymakers, business and community leaders as well as socially responsible investors.

Bonnie Liao, founding member and executive director of SERA explains, “A quarter of global investment funds only invest in companies that demonstrate solid ESG credentials. Although some still regard ESG reporting solely for compliance reasons, the integration of ESG at the heart of a company – including financial decision making and long-term planning – helps eliminate operational risk as well as environmental and social risks, which is a clear pointer to investors.”

Liao adds, “ESG cannot be fully integrated into the heart of a company unless its top management is committed to and involved in achieving sustainable goals. SERA focuses on influencing founders and C-level managers through our Fellowship Qualification Assessment Scheme. We aim to transform entrepreneurs into social entrepreneurs, across a wide variety of professionals, by enhancing their sustainable CSR leadership presence.”



PROFESSOR SEADE AND HIS WIFE ARE ACTIVE IN CHARITY INITIATIVES

SERA’s Fellowship programme is based on a series of stringent assessments that accredit future sustainable CSR leaders. It also cultivates and recognises influential leaders who have successfully made environmental, social and economic contributions to society. Tangible corporate purpose, strategic development and skilled management need to be demonstrated.

Professor Jesús Seade, honorary vice-president (International Board) of SERA, is also the undersecretary for North America at the Mexican Ministry of Foreign Affairs, chief negotiator of the United States-Mexico-Canada Agreement and a former deputy director-general of the World Trade Organisation.

“To resolve the issues of wealth concentration and environmental degradation, we need a social contract between business and society,” Seade explains. “This is a form of self-regulation to supplement free-market policies, with the corporate sector playing a major role in self-evaluation to address problems of social inequality and environmental harm. We need to start to think in a much bigger way as CSR is called on to become a central pillar for societies in the long run, instead of leaving all the problems to be resolved through public regulations, taxation and expenditure.”

Seade adds, “A more structured and self-regulated approach is needed for a company to accomplish CSR goals. Based on the UN Global Compact, SERA established the Social Caring Pledge Scheme with six principles, which clearly lay out initiatives for sustainable business practices. And they represent proof of a company’s commitment to its clear and achievable objectives. To pledge is only the first step; it’s important for companies to set a clear set of central goals with regard to the social and environmental issues that are most material to it during the process of ESG reporting.”

Regarding the development of CSR, Liao concludes that “we need an ESG Management Standard so that corporates can set up their ESG management system and auditing, or else the credibility of the reported data would be an issue. Without a standard, ESG reporting is only an output without an input.”