

CSR Ready

green, fair & competitive businesses



CSR-Ready Project Newsletter

*Issue 3 – March
2022*

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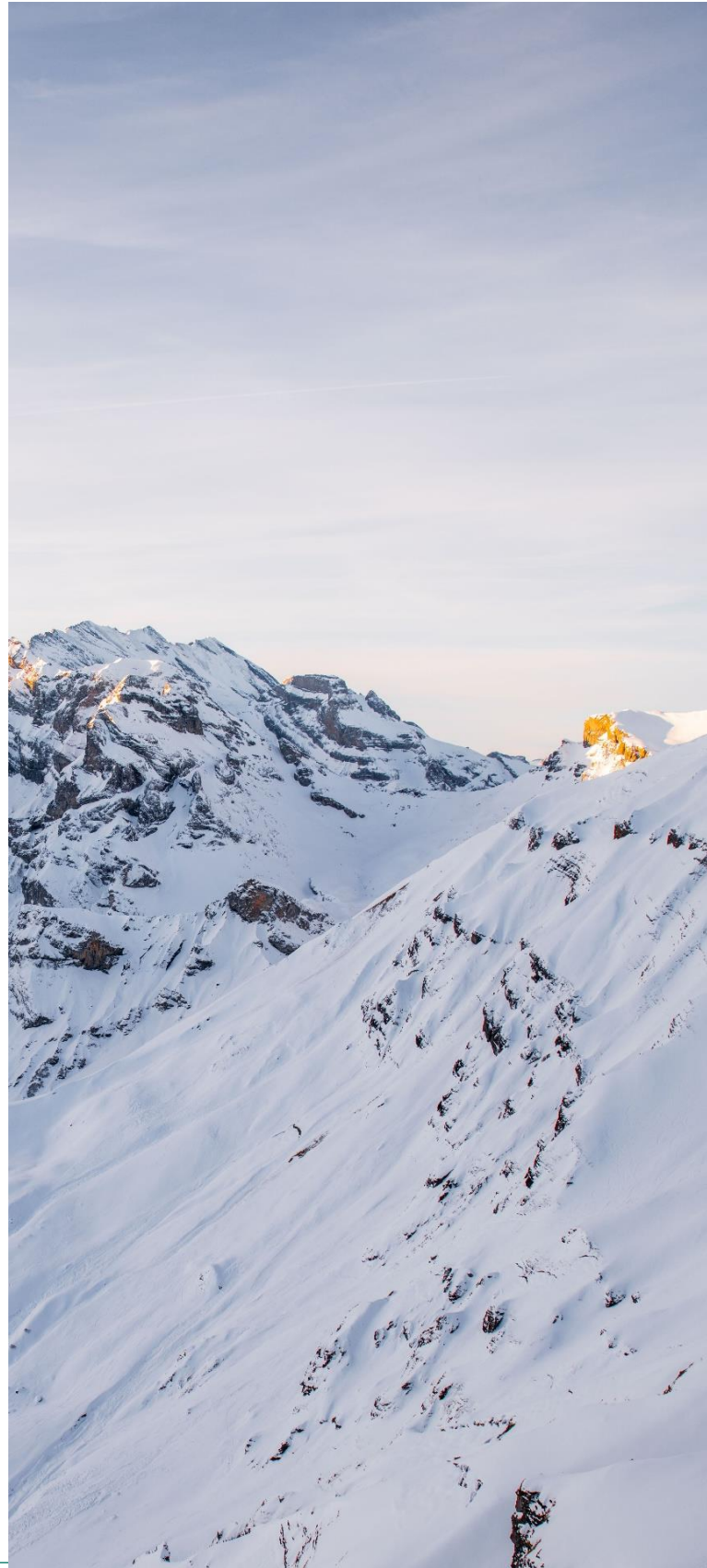
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About the project

Nowadays, Small and Medium-sized Enterprises (SMEs) constitute more than half of the businesses of the European Union (EU). Although their environmental footprint is relatively limited, SMEs aggregate environmental impact accounts for roughly 70% of the total EU environmental footprint (Quintás et al. 2018). Nonetheless, SMEs struggle to get a business approach to Corporate Social Responsibility (CSR). They mistakenly believe that CSR is an area reserved only for large businesses, that dispose of greater human and economic capital, and they are generally unaware of the direct economic benefits of CSR.

Our Erasmus+ funded Interactive Corporate Social Responsibility SME Readiness Project (CSR-Ready) has been created with a clear goal: to enhance implementation of CSR strategies in SMEs, by showing SME decision-makers the specific effects and benefits. The CSR-Ready Project will equip SME owners/managers with the knowledge and tools to understand the impact and importance of CSR, to develop CSR strategies and to increase comparative advantages deriving from CSR transition. Additionally, The CSR-Ready Project aims to create a lifelong environmental impact, by disseminating scientific knowledge amongst HEIs and VET. In this way, HEI students and (future) entrepreneurs will be more aware of the environmental and economic benefits of CSR. At the same time, future Entrepreneurs and StartUps are trained to implement CSR Strategies directly from the start – helping them to avoid future transition costs and allowing them to directly create CSR based competitive advantages.

In doing so, this project is in line with the goals of the European Green Deal and will have an impact on the achievement of its objectives by increasing the implementation rate of CSR in SMEs and thus improving the social, ecologic and economic footprint of the SME sector in Europe.



THE CONSORTIUM

The CSR-Ready project unites 5 partners from universities, businesses, start-ups, and networks from 5 EU Member States, whose experience and expertise provide an ideal foundation to achieve the project's objectives.



The Vision Works GmbH – Project Coordinator
Haale (Saale), Germany



European E-learning Institute
Copenhagen, Denmark



Chamber of Commerce, Industry, Services
and Shipping of Spain
Madrid, Spain



University Industry Innovation Network
Amsterdam, The Netherlands



Momentum Marketing Services Limited
Leitrim, Ireland

WELCOME TO OUR NEWSLETTER

The global challenges of the 21st century are manifold. Neither politics, business nor civil society will be able to solve climate change, poverty reduction or human rights protection on their own.

As companies or organisations, we do not act in a vacuum - through our actions we influence the living conditions of a large number of people in a direct or indirect way and on many levels. This applies to international corporations as well as to small and medium-sized companies. Those have, due to their resources, capacities and competences, but also due to their political and social influence on regional level, a great potential, but also a great responsibility to contribute effectively to society.

Even though a large number of small and medium-sized companies is aware of this responsibility, too few currently implement it professionally and comprehensively within the framework of holistic corporate social responsibility (CSR) strategies. As a result, not only is potential lost for society - the companies also give away potential competitive advantages. Small companies in particular can, for example, make their production more efficient, gain reputation among customers and employees or increase their innovative strength.

With the CSR-READY project, we want to make a contribution so that more and more small and medium-sized companies understand social responsibility as part of their corporate strategy and develop and implement comprehensive CSR strategies - thereby gaining innovative strength and competitiveness and at the same time making an important contribution to solving the current challenges.

We hope you enjoying reading the second issue of the CSR-Ready newsletter!





News from the project

An introduction to IO2

The CSR_Ready Training Package

The CSR Training Package is a customised Training Package that facilitates and addresses the specific CSR implementation needs for SMEs across Europe

The CSR Training Package is currently being developed while targeted at VET trainers this does not exclude CSR management consultants, teachers and start-up consultants.

The main objective is to Impact, Equip and Enable VET Educators to Assist SMEs with CSR Implementation:

- **IMPACT SME CSR** practices so they are more competitive and sustainable in their local, regional and global marketplaces. This will be achieved by increasing CSR education and the implementation rate in SMEs and Start-Ups.
- **EQUIP VET trainers**, management consultants, teachers, start-up consultants etc. with a much-needed (now more than ever!) SME focused VET Training Package that they can easily integrate into their existing and future educational offers, courses and training programs.

- **ENABLE** them to be able to expand their offer around the central topic of CSR implementation in SMEs in a highly transferable way.

The Training Package Modules are outlined as follows with some examples of topics covered which will include European practical SME examples;

Module 1 Introductory Overview on CSR

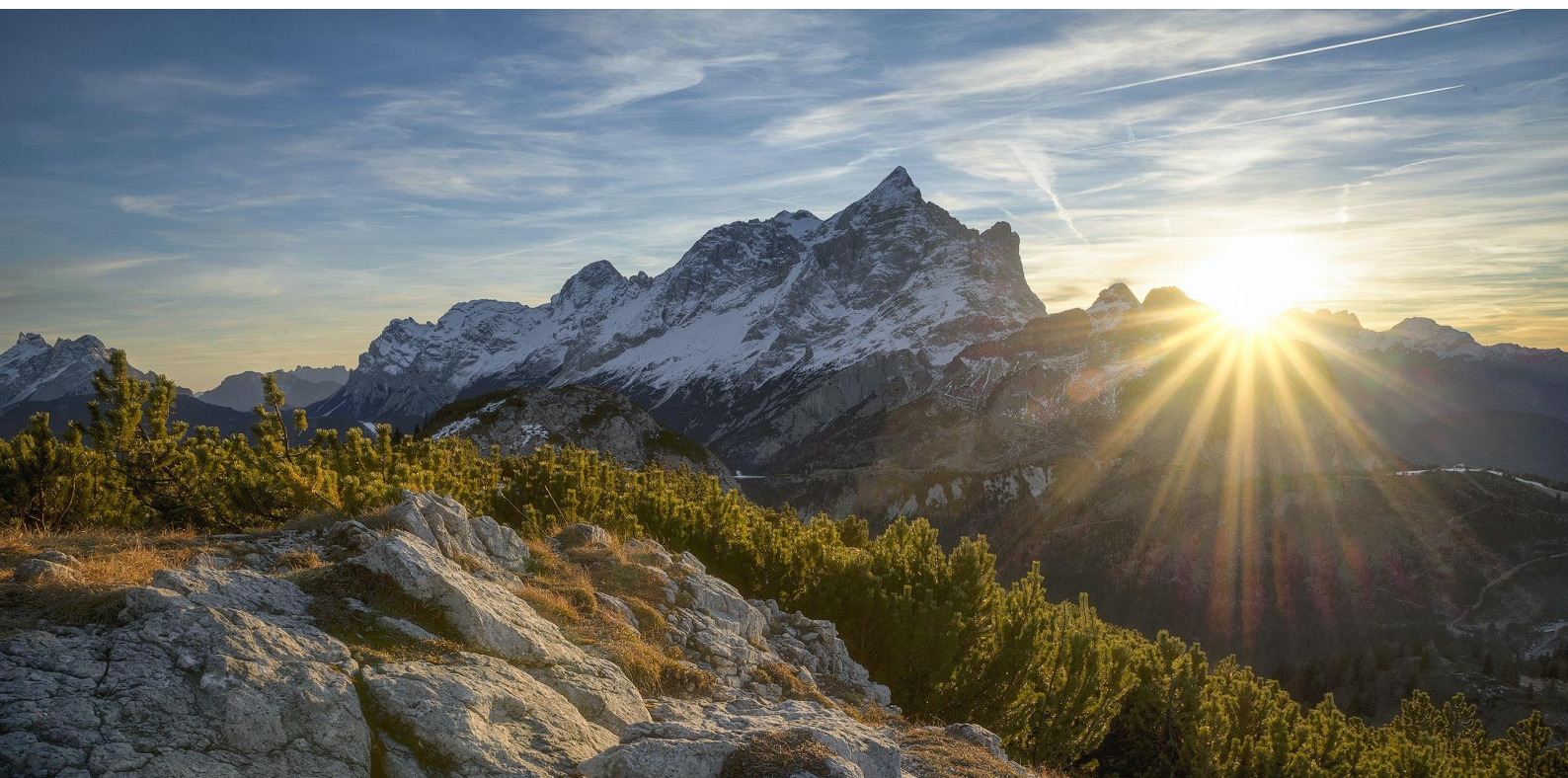
Introduces CSR, its challenges and benefits for both start ups and existing SMEs

Module 2 Human Resource Management

Looks at onboarding recruitment and processes, employee and family practices, health and wellbeing and employee personal development

Module 3 Management and Culture

Goes through Company CSR framework, processes and communication: (CSR Mission, Objectives, KPIs, reporting), internal democracy and transparency, appointment & capacity of a CSR role





Module 4 Risk Management

Being a responsible CSR Business; managing & defining different risks, hazards, safety, social risk management CSR standards, CSR systems, CSR indicators, CSR evaluations

Module 5 Impact Management

CSR Commitment and impact (Hazards, Environment, Social), reputation mgt., impact measurement (e.g., footprint measurement). What are the most important CSR impact areas my company should focus on?

Module 6 Adaptability to Change & Implementation

Quick CSR wins and low hanging fruits; flexibility, skills, knowledge, transition requirements, assessing previous reports, audits, funding and developing a CSR Strategy.

Module 7 External Environment Adaptation of Circular Innovation & Digital Technologies

Concept of circular economy, circular economy principles, strategies, fostering innovation and creativity. Where CSR solutions meet societal, environmental challenges/problems

Module 8 External Environment Leveraging Local, Commercial and International Engagement

CSR stakeholder engagement, networking and relationship building; participation in social cohesion; corporate governance & communication, sponsorship management and marketing.

Author: Laura Morgan, Tourism and European Projects Specialist at MOMENTUM



Featured articles

CO2 Compensation as measures for SMEs

When it is Friday, for a lot of young European People this means it is time to protest for the future. Friday for future protests are an ongoing way of creating awareness for the need of finally getting active to act out against climate change. Not only young people are demanding a change in climate politics and emission reduction. More and more customers, employees, shareholders, and communities are expecting companies to be climate friendly. In the Project CSR Ready, we are creating strategies to help SME's maintaining a more sustainable business.

There are many ways of getting proactive in terms of emission reduction, maybe CO2 Compensation is an option for your business to get a step further in becoming climate neutral? CO2 Compensation is not the first step to be taken while thinking

about emission reduction. Before you should ask yourself: Is it possible to AVOID emissions produced by your company? If you cannot avoid the emissions, can you REDUCE them? And finally, if you cannot reduce your scores anymore, you can COMPENSATE them.

The idea of CO2 compensation is to calculate the inevitable amount of emissions that you are producing, and compensate it due to financially supporting climate protection projects. This transaction is documented by certificates, to show your climate neutralisation.

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As already mentioned, emission compensation is only one part to a climate neutral company. It is very important to be aware about the fact, that emissions are made, and this has a negative impact on the environment. But since there is an official market for emission trading, it also has an impact to compensate them. There are many inspiring projects that can be supported through this method. It is a way to cope with inevitable emissions and sharpen the awareness about the climate protection.

To calculate your emissions, you must add up the total fuel consumption, the total electricity consumption and the fuel for the transport of your employees of the whole company. There are many

After you found out the number of emissions you need to compensate, you have to choose where you want to buy the certificates respectively which projects you want to support.

There are two markets for compensation. One is the official Kyoto-protocol, it has two options listed, the CER (Certified Emission Reductions) and the ERU (Emission Reduction Units) Certificate. These are official and internationalized standards, which can be traded worldwide. However, it might be more convenient to invest in the free market, especially for smaller businesses. As well as in the official trading, there are several certificates to help verify the projects. For example, the VER (Verified Emission Reduction) or the GOLD Standard. It is recommended to watch out for those labels before investing in emission certificates.

Here you can find a list of reasonable projects to support: [link](#).

Getting inspired by those projects for a climate friendly future is a welcome side effect of compensating CO2 emissions. Let's keep our goals high and be part of a positive change towards climate protection!



CSR in SMEs

A sneak peak at the Spanish context

SMEs play a key role in the Spanish and European economy; they are a source of economic growth, innovation and employment. SMEs account for more than 95% of the Spanish and European business fabric, and are therefore the true protagonists of business activity.

Currently, all economies are pursuing sustainable growth, setting specific targets for the achievement of sustainability. In 2015, the UN approved the 2030 Agenda for Sustainable Development, "an opportunity for countries and their societies to embark on a new path to improve the lives of all, leaving no one behind". Corporate Social Responsibility is a tool through which business can make a very positive contribution to sustainable growth.

Corporate Social Responsibility is a broad aspect, a concept that is sometimes blurred and for which there are multiple definitions. This analysis is based on the European Commission's definition, "the voluntary integration by enterprises of social and environmental concerns in their business operations and in their relations with their stakeholders" (EC, 2001).

CSR can therefore be understood as a business contribution to sustainable development, with a management approach that promotes competitiveness, social cohesion and environmental protection.

Companies are increasingly aware that sustainability is a strategic factor for their business. Business activity is not only about profit and wealth creation, but also about making profits in a sustainable and inclusive way, preserving the planet and achieving a more prosperous and socially conscious society.

The characteristics of the companies, the size of the companies, can condition the implementation of CSR measures. In large companies, the implementation of CSR is very high; these companies have incorporated CSR as a new form

of management. SMEs have not incorporated CSR to the same extent; however, in recent years a trend has developed that seeks to make companies aware of the importance of carrying out



The study of CSR in SMEs shows that there are differences in the implementation of CSR in smaller companies compared to large companies, although there are no conclusive results as to whether company size is a determining factor in terms of the implementation of CSR measures by companies. Projects such as CSR-Ready, which aim to encourage SMEs to implement CSR, are very positive because they make smaller companies aware of the possibilities and advantages of implementing CSR and help them to approach an area that they sometimes consider to be outside their scope of action.

Author: Elia Retamosa Agudo and Raúl Mínguez, Camera de Comercio de España

Implementing CSR in a small business

Implementing CSR in a small business

When it comes to implementing an effective Corporate Social Responsibility (CSR) strategy, it's easy to feel overwhelmed. However, CSR activity shouldn't be reserved just for the big players. Small businesses can also enjoy the benefits a good CSR programme can bring. Studies show in order to help attract and retain a skilled, loyal work-force, businesses should aim for a long-term CSR strategy.

Other research reveals employees who frequently participate in their company's volunteer activities are more likely to feel loyalty to their employer and are nearly twice as satisfied with their career progression. You don't have to be a huge corporation to make a significant positive impact on society and take advantage of the benefits a CSR strategy can bring to your business.

Here's how to start!

1. Collaborate on your cause

Involve your employees when choosing the charities or community projects your business supports each year. This is your key advantage over larger businesses, allowing employees to choose causes close to their hearts which in turn can increase engagement. These need not be large scale projects. Smaller initiatives such as in-house fundraising, bake sales or volunteering in the community can have a big impact on workplace morale.

Think about the USP of your business and the products and services you provide. Is there a natural link between your expertise and volunteering opportunities?

2. Make it a regular thing

CSR needs to be more than an out-of-date message, buried on your company website, to remain front of mind for employees. Make sure you regularly communicate your strategy and policies, such as lift-shares or rigorous recycling programmes, across a variety of communication channels. Employees will be more aware of the current initiatives on offer and have a greater understanding of their long-term benefits. If you are short on resources to participate in social responsibility programmes, concentrate on activities that lend themselves well to the time you have available and your expertise.





3. Communication is vital

Employees need to be informed of the collective impact their CSR contribution has. For example, 80% of employees who take part in workplace volunteering say they are fully aware of the community investment policies, but this falls to 44% with employees who do not volunteer.

One of the most effective ways of doing this is to report on statistics such as how many employees volunteered and for how many hours. You should also convey its long-term social impact – for example;

‘The amount of money raised from a charity event will pay for a hundred food parcels to be sent to children who would not otherwise receive nutritious meals’.

Internal feedback has a particularly strong impact in small organisations as word of mouth travels more quickly around your business and will go a long way in encouraging others to get involved in future projects. Channels such as social media and internal networks need to be utilised, to make these updates easily accessible. Visuals work well too, such as posters around the office showing how employee support has made a real difference.

4. Build a team

CSR activities promote a greater sense of camaraderie and unity among employees as they work on a shared mission towards a common goal. Not only can CSR help build strong internal teams, it can be a great opportunity to partner with clients and local businesses to cultivate relationships.

5. Enhancing recruitment

According to a study by PWC, 86% of millennial employees would consider leaving a company if its CSR values no longer matched their own. Younger workers are attracted to businesses that have a social conscience so having a great CSR program will help you attract millennials. Considering by 2025 millennials will make up 75% of the workplace, it is vital businesses start to embrace CSR practices to help attract and retain top talent.

As CSR becomes ever more important, businesses of all sizes must step up to the mark and start implementing good practices to secure their reputation in the eyes of customers, stakeholders, employees and future applicants. With the right strategies in place small businesses can create exciting, cost-effective CSR strategies to attract and retain today’s top talent and which make them stand out among their bigger competitors.

Author: Canice Hamil, EUEI

An outstanding example of CSR

Music Hotspot

"It is difficult to promote your music and to be treated fairly – meaning being paid for your music – when you are an indie artist."

In the music industry, most of the money that is generated by small artists remains within the large recording label companies. Consequently, indie artists often struggle to get rightful compensation for their hard work.

As part of the partner project BEGIN, UIIN has developed a case study on Music Hotspot, a Hong Kong-based music producer that has the goal to ensure that indie artists are compensated fairly for their work through the use of blockchain technology. Besides paving the way for a greater implementation of the technology, the small company sets an outstanding example of how Corporate and Social Responsibility can enable new business models that benefit the society at large.



How are they solving the problem?

Music Hotspot created a blockchain cloud-based solution that links the music products to chain blocks. In this way, the company can trace artists' music distribution and manage their fans' use of the music products without the limitations of a music platform.

How is the technology used?

Music Hotspot created a cloud infrastructure on blockchain and created a c2c (creator-to-consumer) music marketplace, allowing the money to go directly with the artists, taking only a small processing fee to cover the company expenses and a sharing of profit. Hence, the technology allows more transparency and traceability of the music products and the money that is injected into the platform.

Results as of today

After roughly a year, over 100+ indie musicians in Hong Kong have joined Music Hotspot, accounting for over 50% of the local indie market. Moreover, approximately 100 music shows have been hosted by the company and the break-even point was reached in less than 12 months. Music Hotspot is now the official partner of K11, a major land developer in Asia, Cyberport, a government-backing incubator, and KPMG China which assists the company in developing the market beyond Hong Kong.

Impact for the artists

Blockchain benefits the indie music market and enables small indie artists to have power and control over their music products. For the first time, artists can manage their own relationship with the fans, without the limitation of a middle platform. The company has won the innovation award from German Chamber of Commerce and China Ministry of Science and Technology in 2019, as well as the ORIGIN e-entertainment award in Singapore in 2020.

Article retrieved from the Blockchain Enabling Growth in New Enterprises(BEGIN) project.

Author: Mario Ceccarelli, Project Officer at UIIN



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