

# Corporate social responsibility: the next level

CSR, once considered a fad, is here to stay, says **Ruby Sandhu**



Ruby Sandhu of RS Collaboration works with Silverman Sherliker LLP in advising corporate clients on CSR [www.rscollaboration.com](http://www.rscollaboration.com)

**C**SR began in the UK with the concept of fair and ethical conduct by a business towards its stakeholders. It has now developed into a sophisticated, coherent and meaningful term and its impact is growing as part of some voluntary international norms set down under UN guiding principles, OECD guidelines and the UN Global Compact.

It is aimed at businesses – both law firms and their clients – so now's the time to take it on



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board. Consequently, 'business as usual' or the 'race to the bottom' is no longer an acceptable, civilised and professional way of doing business. This is particularly the case when faced with issues such as concern over climate change, environmental degradation and the stark asymmetry of wealth across the globe.

#### **Unsustainable**

While initially UK law firms, may have applied it prescriptively to their own operations by relegating it to pro bono and charitable practice, this kind of CSR is now no longer enough and is seen as unsustainable and sometimes even cynically perceived as nothing more than a 'bolt on' or a window-dressing exercise for marketing purposes.

Balanced with the need for lawyers to step outside of their comfort zones from the prescriptive application of CSR is an awareness that technology is democratising access to information. This means that, as lawyers, our public service, legal independence, legal craft, commitment to the rule of law are critical to defining the profession of law as compared to another business service.

Therefore the adaptation of CSR requires best practice in a number of our practice areas. These include corporate governance, risk management, business human rights due diligence, stock exchange

disclosures, and mergers and acquisitions to name but a few.

#### **Innovative**

How we incorporate and entrench CSR as well as provide clients with advice on it, requires an innovative approach. This means that lawyers will keep up to date with the mega trends in this area. A simple Google search on CSR reveals well over 37 million hits, emphasising its importance across the globe. Lawyers need to understand CSR contextually from the narrow perspective of the law practice as well as the implications to wider society and our role in it.

Adapting CSR requires both best practice in a number of practice areas and an understanding of the concept so that we can explain it to clients and they too can weave it into their commercial or product offering.

This requirement has been provided further legitimacy by the recent release of the UK government's *Good Business: Implementing the UN Guiding Principles on Business and Human Rights*. It stipulates in the ministerial foreword that "private sector entrepreneurship, industry and trade are key to Britain's economic success. It is now more important than ever for us to help British companies succeed, and to do so in a way that is consistent with our values."

#### **Metamorphosis**

We are working towards more liberal market environments and internationally in which commerce can flourish, which are stable and sustainable over the long term and where transparency, good governance and the rule of law prevail.

CSR has also metamorphosed into corporate sustainability and responsibility as well as corporate social values.

However, it is still premised on a contribution to communities, environment and good practice.

This makes the development and integration of a law firm's CSR policy internally and externally critical if a law firm desires to secure work, attract employees and protect its reputation.

#### **Lateral thinkers**

Lawyers are not trained to be lateral thinkers. However, the issues we face today require leadership that is premised on values and an out-of-the-box approach so that there is a convergence of our values with our profession, business and practice.

As a first step, law firms and lawyers need to acknowledge and be aware of the ever-increasing importance and relevance of CSR beyond that of pro bono and charity. For this there needs to be buy-in from the senior and managing partners of the law firm that CSR will become an integral component of their operations and business practice. **SJ**