



Article from : The Straits Times (Singapore)

Date : December 24, 2007 Monday

Companies with heart;

This year's booming economy has resulted in more firms giving back to social causes under a banner called 'corporate social responsibility', targeting especially youth. But are they just using it as a public-relations gimmick? Jessica Lim, Malini Nathan and Tessa Wong report

BUSINESSES want to present themselves as forces for good, and the blazing economy is helping them do just that.

Corporate purse strings have loosened in the past two years, and not just for charities.

Corporate social responsibility (CSR) is something that has caught on among businesses here in the last four years, according to the Responsible Competitiveness Index, which is a biannual international survey done since 2001 by AccountAbility, a United Kingdom-based think-tank which promotes CSR.

The survey factors in CSR activities among companies, as well as each country's government policies which encourage CSR.

Singapore has improved with a score of 71.3 per cent in the study this year, ranking it 15th out of 108 countries. In 2003, it ranked 26th out of 51 countries, with a score of 58.1 per cent.

Meanwhile, Singapore Compact - an organisation which furthers the CSR movement here - reports around 170 companies on its database compared with 100 two years ago.

An increasing number of **CSR initiatives** target those who are under 24 years old, to be beneficiaries, participants and even evangelists for programmes for causes related to the environment, education and the arts.

Close to half of Singapore Compact's member companies are now into youth-oriented CSR. The focus on youth is logical, noted its executive director Thomas Thomas.

'Youth are the future leaders of the society and have a stake in the future,' he said.

'It is natural for companies to want to engage them to enhance their reputation and branding, and attract young talent while helping them at the same time.'

Companies here are taking a leaf from corporations in the United States, where the CSR took off in the 1980s, noted industry expert, Dr Timothy Stearns, chairman of social enterprise Employers With A Heart.

There, brands such as AT&T and Starbucks have successfully leveraged on socially responsible practices to boost their relevance, especially to the youth market.

'Young people tend to be more responsible and global-minded as consumers, and they tend to support companies that have CSR,' said Dr Stearns.

Over the past five years in Singapore, youth initiatives have received millions in funding from Singapore Compact companies.

Mr Jeffrey Tan, the society's secretary, said investments come in four- to six-digit sums per project, depending on the company's size.

Great Eastern, for one, put \$250,000 towards various art, social and education projects this year alone, while power generator company Senoko sank twice that amount - \$500,000 - into youth environment projects.

If time is money, then companies are also big spenders in more ways than one.

Many companies are ploughing time and resources into outreach activities for customers, employees, shareholders, communities and the environment.

Examples include recent efforts by corporations such as Symantec, Citibank, SingTel and ABN Amro.

Citibank's 150 employees volunteered for the Singapore Stock Challenge, a two-day interactive learning event which teaches the basics of equities and stock trading to 15-year-old students and their teachers.

At ABN Amro's recent Shining Star Arts Concert which showcased young artistic talent, 55 employees worked as ushers, backstage crew and stage directors.

Even small and medium-size enterprises are contributing.

Last year, City Harvest Education Centre started a performing arts centre called O School, which uses dance to reach at-risk youth. It also provides training and employment for them.

There is, after all, long-term wisdom for businesses to be socially responsible.

Associate professor of marketing Tan Soo Juan, of the National University of Singapore (NUS) Business School, said companies which take CSR seriously tend to capture the youth dollar, and foster loyalty as its audience grows older.

Still, there are detractors.

Mr Alexander Yang, president of the NUS CSR Student Movement, pointed out: 'Many companies use CSR simply as a public-relations tool, and youth view it mainly as such - if they notice it at all.'

'One has to dig quite deeply to figure out who is telling the truth and who is not.'

Nonetheless, CSR has tangible benefits for youth, giving them opportunities ranging from, say, staging a first-time professional stage performance, or funding for environmental projects, to furthering their education.

Just ask 18-year-old Teh Qin Chuan, a second-year infocomm security management student from Singapore Polytechnic.

On Nov 21, he won a bond-free scholarship worth more than \$6,000 offered by Symantec, a software specialist in security and information management.

The money will cover his entire three-year education, including reimbursement of fees already paid for his first and second years' studies.

'My parents now do not have to pay for my education and can spend the money on either getting me a better computer or paying for my brother's education,' he said.

Although he is not obliged to work for the company after he completes his studies, he is considering it because of Symantec's generosity.

Similarly, CSR encourages loyalty in existing employees.

Mr Robin Pho, a regional manager with ABN Amro's private banking department, has found the last three years working on CSR projects 'very fulfilling'.

But for a company to reap the best returns for its CSR programmes, it has to sustain them in the long term, said Dr Geoffrey Williams of OWW Consulting, a CSR specialist for Malaysia and Singapore.

'Companies can learn from the successes and gaps in their programmes and make improvements year-on-year,' he said.

On the other hand, 'if a CSR programme is just 'one-off', it is likely to be seen as a cynical marketing ploy and companies won't benefit from the investment they have made'.

But as companies increasingly launch **CSR initiatives**, more can be done to encourage them, said Dr Williams.

He added: 'Although there are incentives for training schemes and charity discounts for companies, the Government needs to come up with a more concerted effort to encourage CSR here.'

That might include favouring ethical CSR-practising companies when awarding government tenders or investing pension money; supporting carbon credit schemes; and investing in technologies which help the disabled.