



Strategic CSR: A common purpose for development and business multipliers

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OBJECTIVES

- ▶ Exploring ways of achieving effective partnerships where, strategic Corporate Social Responsibility is essential to have high impact on development.
- ▶ Constructing a 3-phase tool in which companies could see how and why to cooperate with the AECID in their efforts to contribute to development.



BACKGROUND

- ▶ Governments will not be able to address development challenges alone.
- ▶ The Millennium Development Goals cannot be achieved without an active and vibrant private sector.



Spheres of Business Impact and Influence.



- ▶ Companies' development footprint.
- ▶ Create value for both society and the company.
- ▶ Combining social investment with corporate competencies to address collectively and from a strategic perspective the challenges our world.

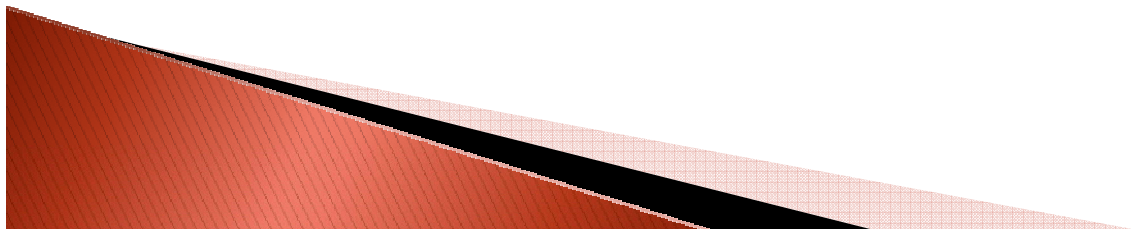
Role of international cooperation agencies in promoting development and CSR

- Promotion of CSR can be seen as a wider part of agencies' efforts to support private sector development, social development and an increased respect for human rights.
- Agencies require companies to demonstrate adherence to responsible business practices, as an additional part of their funding and support activities.
- Donors can provide recognition and incentives for responsible business practices ; as well as providing financial and technical assistance and convening multi-sector dialogues.



Development agencies can work actively with the private sector

- Clarifying the expectations of companies and creating incentives for responsible private sector action.
- Building government capacity and public governance frameworks.
- Relating the corporate responsibility debate to SMEs and domestic enterprises.
- Investing in human capacities and leadership



Development Agencies and CSR

- Corporate responsibility provides new opportunities for development agencies to engage companies.
- Development agencies can both support and enable corporate responsibility.
- Agencies can work not only as funders but also in many other capacities from policy advocates within their own governments and multilateral institutions; to mediators; facilitators; translators; technical advisors; disseminators of good practice and learning.



3- PHASE TOOL



The image shows a screenshot of the AECID website. At the top left, there are logos for the Spanish Government (GOBIERNO DE ESPAÑA) and the Ministry of Foreign Affairs and Cooperation (MINISTERIO DE ASUNTOS EXTERIORES Y DE COOPERACIÓN), along with the AECID logo. To the right, there are links for 'Direcciones y Teléfonos', 'Mapa del web', and 'RSS'. Below these is a search bar with the text 'buscar' and a magnifying glass icon, followed by a link for 'búsqueda avanzada'. The main content area has a breadcrumb trail 'Inicio > La AECID' and a large black and white photograph of two hands shaking. To the right of the photo is a yellow box with the text 'WHY AND HOW TO WORK WITH THE AECID'.

GOBIERNO DE ESPAÑA
MINISTERIO DE ASUNTOS EXTERIORES Y DE COOPERACIÓN
aacid

Direcciones y Teléfonos Mapa del web RSS

buscar búsqueda avanzada

Inicio > La AECID

WHY AND HOW TO WORK WITH THE AECID

RECOMMENDATIONS

For the 3-Phase Tool



Confederación Española
de Organizaciones Empresariales



CEPYME

CONFEDERACIÓN ESPAÑOLA DE LA PEQUEÑA Y MEDIANA EMPRESA

Inclusion of an evaluation
questionnaire/survey to enhance
selection process

Adaptation to facilitate use of the
Tool for SME's (via Knowledge
Transfer system)

Inclusion of a database of the
AECID's past and present
projects/programmes



Use of various forms of multimedia to
help raise awareness of the tool

For the AECID



مرحباً • 欢迎光临 • Welcome • Bienvenue • Добро пожаловать • Bienvenidos

Increased disclosure of the AECID's intentions to partner with the private sector.

Undertake awareness raising efforts within the agency regarding benefits of association with businesses

Establish a specific and well communicated strategy and operational guidelines

Expansion of available language facilities on the AECID's website



Consider joining existing cross sector networks/alliances



CONCLUSIONS



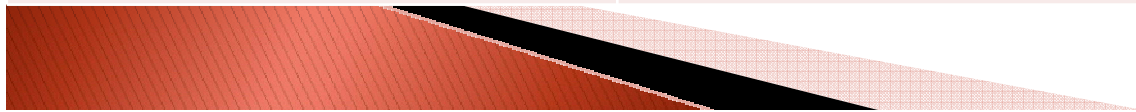
- ▶ Business should invest or create business strategies while thinking about the creation of *shared value*
- ▶ Businesses can use the expertise provided by cooperation agencies in order to elaborate a solid CSR strategy

CONCLUSIONS

- ▶ Corporate Social Responsibility is the pathway through which companies and donor agencies can meet to increase their impacts on development.
- ▶ Designing these types of tools will allow for the strengthening of the type of partnerships the AECID can have with private companies



CORE BUSINESS	SOCIAL INVESTMENT	ENGAGEMENT IN POLICY DIALOGUE
<p>Products and services: How can all our business processes contribute to development?</p> <p>Policies and practices: What are our policies and practices in areas such as ethics, environment, human rights, labour rights, corporate governance, suppliers, clients, and society?</p> <p>Are these policies and practices contributing or stagnating development?</p>	<p>Is the company contributing to local communities through some of the following aspects?</p> <ul style="list-style-type: none"> ✓Volunteering ✓Financial support for community organisations ✓Product donations ✓Premises facilities ✓Access to Education ✓Access to Health Care ✓Training /Capacity Building ✓Youth Development ✓Environmental projects 	<p>Platforms and Participation: Is the company working with governments to improve social infrastructure health and education?</p> <p>Is the company participating in collective action and legitimate dialogue with government and civil society?</p>



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EXECUTIVE SUMMARY

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1. INTRODUCTION

The aim of the project, *Strategic CSR: A common purpose for development and business multipliers*, is to explore ways of achieving effective partnerships where, strategic Corporate Social Responsibility is essential to have high impact on development. The means we are using to do this is by developing a tool we worked on for the AECID (Agencia Española de Cooperación Internacional y Desarrollo). The project consisted on coming up with a tool (**the 3-phase tool**) in which companies could see how to cooperate with the AECID in their efforts to contribute to development and to create partnerships with other sectors of society, to achieve more incidences in their actions. It is a tool that can be used as an educational and communicative resource for the AECID and the private sector.

As a as a group we wanted to work on a theme for the final project which centred on fostering strategic CSR as a cross sectional criteria for effective partnership. Leda Stott our tutor for the project, got in contact with the person responsible for the newly established AECID's Business and Development department, Santiago Porto; who gave us a preliminary idea of what was needed for their area. This inspired us to develop a tool that would help the AECID strengthen the relationship with the private sector.

The different parts of this paper include the following sections:

Section I – Introduction

Section II – Conceptual development of the issues where businesses have the potential to create an impact on development and the role of cooperation agencies in enabling environments for companies to develop their CSR agendas.

- The role business can play in development
- Spheres of business impact and influence
- Social investment
- Policy dialogue
- The role of international cooperation agencies in promoting development and CSR

Section III – Theory on partnerships

- Partnerships as an effective way of enhancing development.

Section IV– Description of the tool developed for the AECID

- This part is divided in how the tool was elaborated for the AECID.

Section V – Recommendations for the tool and the AECID

- There is a list of recommendations, which will help improve the developed tool and also give input as to how the AECID can expand on the new tool in order to achieve partnerships for development with private businesses and companies.

Section VI- Conclusions

The methodology used for this paper included different mechanisms. We first held a couple of meetings with our tutor, Leda Stott, so as to determine the subject and the focus of our research topic, timelines, theories, etc. We were also exposed to more material regarding CSR and partnerships in these meetings.

It is important to note that we all read and researched the themes presented in this paper, in order to get a better idea of what was important to mention in our work. Our tutor gave many documents to us, and we looked for other

sources as well. We also used some of the material provided by Leda in our “Partnerships” class, as well as other classes in the Corporate Responsibility Management and Communication module. We referred to some material that was discussed in the classes, “Mainstreaming social responsibility into the functional areas of the organization” given by Sean Ansett as well as material from the “Logical Framework” class by Joaquim Tres. The Internet was also a great source of information and sharing information through email was essential as well.

We cited and researched various authors to base our paper and the tool we developed on, such as: Jane Nelson, Michael Porter; Jeffrey Sachs, Amartya Sen, Leda Stott, Simon Zadek, etc. When developing the tool, various meetings were held to add, improve and work on it, so as to achieve what you will see in the following pages.

2. BACKGROUND

“At a time when unethical business practices continue to dominate headlines, a manifesto for change offers persuasive proof that companies that combine profit making with a concern for values and the greater social good do better than those that concentrate only on the bottom line”¹

CSR wire

We live in a world of great contradictions where opulence and poverty co-exist, where great scientific discoveries take place while someone dies of malaria every second in the world, and where prestigious universities take on important research while millions of children and women cannot even access primary school.

The challenge of overcoming poverty, unfulfilled needs, violation of political freedoms, discrimination against women and threats to the sustainability of our world should be the focus of development. If our world is committed to change, development should consist of “the removal of various types of unfreedoms that leave people with little choice and little opportunity for exercising their reasoned agency. The removal of substantial unfreedoms ... is constituent to development.”² The path for development needs to deal with people’s freedom to decide upon their destiny. It is not just a matter pertaining to governments, it should involve all actors: private sector, public sector and civil society.

There is an increasing recognition that governments will not be able to address development challenges alone. It has been accepted, for example, that the Millennium Development Goals cannot be achieved without an active and vibrant private sector. There is an emerging consensus that recognises the role of business in development and new forms of cooperation between the public sector, private sector and civil society which can offer enormous potential for achieving the development goals.

Many business efforts in development take place as a result of CSR activities. CSR is the continued commitment by businesses to systems of corporate self-regulation, which are integrated into their business models. CSR will ideally function as a built-in, self-regulating mechanism whereby business can monitor and ensure their adherence to law, ethical standards, and international norms. Business should embrace responsibility for the impact of their activities on the environment, consumers, employees, communities, stakeholders and all other members of the public sphere. Furthermore, business would proactively promote the public interest by encouraging community growth and development, and voluntarily eliminating practices that harm the public sphere, regardless of legality. Essentially,

¹ www.ca.csrwire.com/press/press_release/20380-Profits-with-Principles-Seven-Strategies-for-Delivering-Value-with-Values-by-Ira-A-Jackson-and-Jane-Nelson

² Sen Amartya Development as freedom. Oxford University Press. 2001

CSR is the deliberate inclusion of public interest into corporate decision-making, and the honouring of the triple bottom line: society, environment & economy.

Businesses are starting to realise the benefits of aligning their corporate objectives with social development and environmental awareness. The reason behind this is that their development efforts help drive economic growth in countries and communities in question by generating wealth, income and employment opportunities, as well as affordable goods and services, thus resulting in a friendlier environment to operate and therefore creating a win-win situation for all parties involved.

The presence of companies in developing countries is also becoming more significant and as such, their capacity and capabilities are helping to increase the effects of contributions and investments. Companies are already contributing in various ways to developing countries by reducing poverty and improving their living conditions nevertheless, this effect could be catalyzed through partnerships with international development cooperation agencies. It is important to form more strategic alliances and partnerships with public administrations and cooperation agencies.

a). THE ROLE BUSINESS CAN PLAY IN DEVELOPMENT

Private companies have great opportunities to contribute to global development. According to Jane Nelson there are three spheres where companies can have an influence and impact: through their **core business**, their **social investment** and their **engagement in public policy**.³ The creation of **the 3-phase tool** for the AECID has been inspired by these three spheres of business impact and influence.

Diagram 1: Spheres of Business Impact and Influence.



³ Nelson, Jane and Dave Prescott. Business and the Millennium Development Goals: A framework for Action, IBLF and UNDP. 2003

Core Business

One of the most important contributions businesses can make towards development is through their core business activities. Having a responsible behaviour throughout the whole value chain is a way of contributing to sustainable development and creating positive value for countries and communities. By running efficient business, companies can generate wealth for their shareholders as well as for other stakeholders. The cash that businesses create in countries through wages, taxes, payment to suppliers, dividends, and donations can have a multiplier effect within the community. The real impact this could create in the regional or national context of a country will depend on the actions and strategy used by the company.

Through its core business companies can increase value for both society and themselves at the same time. In some cases the private sector is reluctant to create this shared value because they do not know how to do it, or ignore the benefits of creating it. Since all companies produce goods and services, analysing their own business production process is undoubtedly a starting point. What products or services is the company producing? How is the company manufacturing these products? Are the products or services affordable and safe for society? Which of society's needs/expectations are they fulfilling? Is the company addressing the impacts at all of the products' life cycle? Has the company analysed the risks and opportunities from its sourcing, production, distribution, disposal and end use of its products? Companies can be sustainable if they are able to identify in which of these areas they can create a shared value.

Companies have an opportunity to boost business impacts by integrating social and environmental objectives into their core business. They can produce safe products and services, create jobs and human capital, establish healthy relationships within all its value chain, incorporate international standards, share know-how and build physical and institutional infrastructure. When companies start integrating these actions throughout their value chains, there will be a positive effect for development; by doing this companies can have more control over risks, costs and liabilities and in the process create new value. Creation of value, "moves companies from a mindset of 'do no harm' to 'do positive good' and from a framework of corporate social responsibility to corporate social opportunity."⁴

There are many advantages companies have by setting a responsible agenda that integrates social, environmental and good governance performance into their core business strategy. Some of the clearest benefits are: enhancing intangible assets, gaining more reputation, innovating and having a positive stakeholder relationship. Stakeholder engagement for example, allows companies to have open channels of communication with different actors and have a more clear understanding about their expectations and priorities. It also allows companies to manage their risks more effectively. With responsible agendas, companies can not only reduce costs but also have better access to credit through responsible investment funds and, "better organisational functioning, through creation of a more integrated performance driven culture, greater cross boundary linkages and employee learning and motivation."⁵

Social Investment

The social investment that companies perform should be addressed strategically, not just giving money as charity. Many companies still give money to programs that have nothing to do with their strategy. Michael Porter believes that, "by analysing the elements of competitive context, a company can identify the areas of overlap between social and economic value that will most enhance its own and its cluster's competitiveness."⁶

⁴ Nelson, Jane. Economic Multipliers. Revisiting the core responsibility and contribution of business to development. International Business Forum. 2003

⁵ Nelson, Jane. Building linkages for competitive and responsible entrepreneurship. Harvard University and UNIDO. 2006

⁶ Porter, Michael and Kramer, Mark. The competitive advantage of Corporate Philanthropy. Harvard Business Review. 2002

A powerful way of creating social value is by developing new means of addressing social problems, or in other words, companies learning to mobilise competencies and resources in different ways. Through social investment, companies have an opportunity to create *hybrid models* or *blended models*; this means increasing the company's competitive context and at the same time support community development.

Policy Dialogue

All the challenges that have been mentioned throughout this paper cannot be tackled individually, they need collective action. Creating a legitimate dialogue with governments and civil society allows for the improvement of social infrastructure. The private sector by using its leadership, knowledge and networks can help to set better norms, rules and standards to promote development. Companies have the opportunity to engage in business associations, chambers of commerce, organisations of employees and national business councils to promote and invest in development.

For Simon Zadek, when companies start to promote and advocate CSR issues within their sector and the government they are at the **civil stage**. In this stage, “issues mature, they become absorbed into mainstream professional debate and eventually into practice. Once leading companies adopt unconventional commitments and practices around certain societal issues, laggards must either follow suit or risk the consequences.”⁷ Therefore, when companies engage in public policy advocacy they are pushing up the standards and enhancing long term economic value.

Therefore, the great benefit of implementing a CSR strategy from the **three spheres** perspective; core business, social investment and public policy dialogue, is the possibility to create value for both society and the company. The only way this can be accomplished is by combining social investment with corporate competencies to **address collectively** and from a strategic perspective (ideas becoming commercially viable) the myriad challenges of our world.

b). THE ROLE OF INTERNATIONAL COOPERATION AGENCIES IN PROMOTING DEVELOPMENT AND CSR

Many development agencies are already working with the private sector on several fronts. Agencies require companies to demonstrate adherence to responsible business practices as an additional part of their funding and support activities, irrelevant of whether these companies have or not a specific corporate responsibility programme. Donors can provide recognition and incentives for responsible business practices (particularly in developing countries) as well as providing financial and technical assistance, convening multi-sector dialogues and nurturing relationships for future action.

The role of cooperation agencies in the field of CSR is primarily related to how businesses can, within the frame of their normal activities, have a beneficial impact on both society and environment. Cooperation agencies can contribute in various ways to the creation of settings in which development is promoted. In this regard, the promotion of CSR can be seen as a wider part of these agencies' efforts to support private sector development, social development and an increased respect for human rights.

Corporate responsibility provides new opportunities for development agencies to engage companies. These agencies maintain that: bringing the public and private sectors together in order to find new ways of addressing

⁷ Zadek, Simon. The Path to Corporate Social Responsibility. Harvard Business Review.

issues of common concern, is of vital importance. Development agencies can both support and enable corporate responsibility. They can work not only as funders but also in many other capacities from policy advocates within their own governments and multilateral institutions, mediators, facilitators, translators, technical advisors; as well as disseminators of good practice and learning.

In order to ensure that the AECID is able to work well with business and promote good relationships with other sectors clarifying what partnerships involve and how some of their challenges might be overcome is fundamental. In this way it is hoped that the AECID will be able to develop good cross-sector relationships that support sustainable development. Partnerships are central in promoting the role of business in development – both in terms of business collaboration with development agencies, and with other actors such as international agencies, NGOs, governments etc. However, it is clear that partnerships between different sectors are not easy.

3. WORKING IN PARTNERSHIPS

It is important to recap about partnerships in the development context, and what has been learned throughout the master to understand their importance for coherent and inclusive development. In the context of elaborating the tool, theory on partnerships cannot be omitted in order to understand what elements are needed to achieve a successful outcome regarding the **3-phase tool** and further alliances of sectors to achieve common goals. The AECID could pursue to ensure proper joint implementation of programs, or the way the resources can be properly channelled to achieve maximum efficiency. Throughout the whole process of elaborating the tool, thinking constantly of the importance of a well thought -out partnership strategy was transversal to understand how the AECID could join its efforts with private businesses and other actors as well.

There are successful factors that contribute to having a partnership with positive outcomes. Mutual commitment of partners is incredibly important in order to achieve a successful result of the partnership. This is also aided by finding the right balance of commitment and compatibility throughout the process. The expertise brought to the table by the different partners helps tackle issues from different perspectives and finding the best possible solutions if problems arise.

There are important issues to consider when thinking of partnerships, and one of the most important aspects is **context**. Partnerships are not static; they have to be able to transform within the context. Some of the factors that can influence the context that will determine if the partnership can succeed are: physical and geographical settings, cultural and historical traits, social, political and economic factors, available resources, rules, regulations and the urgency of need.

The need for partnerships is greater when private companies create their own strategies regarding their core businesses and corporate social responsibility programs. Private enterprises should pursue in larger efforts to if they want to establish an effective partnerships that deals with social investment and public policy programs. Other organizations have the necessary expertise in the issues. They have close relationships with the community and know their strengths, needs or problems. The AECID could be a great partner for businesses all over the world, because of the knowledge of local situations and cooperation issues.

The AECID considers that the private sector is vital to break the poverty cycle. There is a consensus on the need for economic growth to fight poverty; however this growth must be sustainable. This means that businesses must take into account social and environmental factors, and to not just have a profit-centred modus operandi.

4) 3-phase tool

The 3-phase tool was inspired by Jane Nelson's model. This is an online- instrument which companies can access in the AECID's webpage to find out how to work together. The tool can also expose what the benefits of working with the agency are, and what types of projects can be prone for a collaboration to take place. It also intends to give guidance on how companies could start developing a more active and responsible agenda for the creation of shared value.

This tool will help the AECID in many ways since: it is easy to use, it is user friendly, contains practical visual aids and it is written in a language where any person coming from any background can understand. There are explanations given in each section, and various concepts are elaborated throughout the whole tool. There is also a glossary available to anyone who uses the tool; which helps clarify any doubt regarding the terminology used by the AECID.

Reasons why the AECID and companies will find the tool advantageous are

1. Companies will be able to learn about what the AECID is doing in different areas of the world, its development efforts and principles.
2. Finding out how to work with the AECID in aspects that relate to their business.
3. It will help companies benchmark their CSR strategies against examples and what experts say about strategic CSR.
4. The tool will also help give guidelines:
 - To companies and the areas they could cooperate in, with the AECID; and,
 - The actions necessary to implement a CSR agenda.
5. The tool can help AECID choose the companies it could work with.

The three phases have been designed on a Word document and each of the phases has links that go in depth on more concepts of development and CSR. We have included definitions and a criterion that is considered essential in order to have a well thought out CSR strategy in a company.

The tool has the following sections:

1. Why and how to work with the AECID?

- Actors for development: a common purpose
- Working with the AECID
- Businesses have great a great opportunity to benefit society
 - Link to check CSR actions. It includes CSR concepts and a self- assesment tool.

2. Areas of work and location.

- Priorities of the Spanish Cooperation
- Where the AECID works
 - Link to countries of priority for the AECID
- Themes and cross-sectional aspects

3. Common interests and collective action.

- Social investment
 - Link to actions in social investment (Checklist)
 - Example: the "Africa Invest" case
- Policy dialogue
 - Engagement in policy dialogue process. Link to public policy actions.

Although the tool does not intend to measure the performance of companies in CSR, we have included a self-assessment mechanism (you will be able to find this self assessment mechanism in the link to CSR actions) in which companies can find out what type of CSR is taking place in their company. The tool then gives some suggestions of actions that the company could start implementing.

One of the most important assets that the tool has in terms of being user-friendly is its glossary. This set of definitions of different words used in the sector, in CSR, in the development world and in the context of partnerships, is essential in order to achieve a complete understanding of what is being stated. The terminology used in general in the tool is simple and easy to understand but the advantage of having a glossary within the tool itself is of huge benefit. This prevents users from having to look up words in the dictionary related to this subject matter, because there might be many definitions to the concepts and some may be very new. The glossary not only defines words, but also concepts, actors in the development and in the business world.

We wanted to add a second more complete assessment tool (under the link to CSR actions) that would guide companies to know where they stand related to how they do CSR. In order for this exercise to be of use in a successful way, the concepts opposite from each other in the “x” axis (proactive and reactive) and the “y” axis (link to core business and philanthropy) had to have tension or to be opposites. The aim of this part of the tool is for companies to find themselves in the chart and see how they are performing in their CSR strategy.

The last part within the first phase of the tool, (knowledge sharing) will be to present the concept of knowledge sharing which must be imperative when creating a partnership. The AECID can apply the practice of having “information repositories”⁸ in which companies can share their experiences and their knowledge equally.

4. RECOMMENDATIONS

a) For the 3-phase tool

Throughout the development process of the 3-phase tool, it has undergone various modifications before reaching its present characterisation. It is therefore of vital importance to note that this tool is not meant to advocate radical change, but rather propose a framework for private sector collaboration that draws on the lessons learnt from past experiences.

It can thus be argued that the final double goal of the 3-phase tool is to firstly facilitate the strengthening and creation of global partnerships for development, and secondly, promote and facilitate corporate socially responsible efforts and initiatives within large companies. There are some recommendations that can be made in order to further improve the tool, its effectiveness and more importantly its potential relevance to the world of global development partnerships. These are some recommendations we include in our paper,

- As mentioned previously the tool does not actually carry out the function of filtering out the interested companies but instead provides the information necessary for companies to decide whether or not to pursue association with the AECID. Nevertheless it would be possible to adapt the Tool to incorporate an (at least) initial filter system for companies. This could be done through the use of an online questionnaire or survey to be filled out by someone in the relevant department or departments. This questionnaire would ask about the company’s performance in various areas of relevance to CSR and would ultimately be

⁸ Information repositories are information sources created from collective knowledge, gathered and made available online.

evaluated and scored. Based on this score the AECID (or any other similar institution) could select the most appropriate companies based not only on overall responsible performance but also on performance in specific areas to thus allow them to maximise the resources these companies have to offer. As an additional advantage, this modification of the tool could allow for much time and effort to be saved in bureaucratic processes, which would otherwise be necessary.

- The Tool is, as with many other CSR related concepts, mainly aimed at large companies and multinationals in order to fit the needs of the AECID and its global development efforts. Although this is perfectly logical from a logistics and resource point of view, in the long term picture the adaptation of the Tool to make it more inclusive for small and medium enterprises could be greatly beneficial. There are numerous SME's in the developing world, which greatly struggle to maintain their competitiveness. If there was a system facilitating knowledge transfer and management between SME's in the north and the south it would be possible to ease the difficulties faced by these actors which are greatly important for economic development but so often overlooked. The viability of this concept is furthermore increased by the AECID's already existing relations with such organisations as the CEOE (Confederación Española de Organizaciones Empresariales *or* the Spanish Confederation of Business Organisations) or the CEPYME (Confederación Española de la Pequeña y Mediana Empresa *or* the Spanish Confederation of Small and Medium Enterprises).
- Another possible recommendation for the Tool could be regarding the inclusion of a database of the various projects and programs both currently and previously undertaken by the AECID. This option would allow interested companies to search through the database to try and (in first instances) identify for themselves areas where they are likely to have the maximum possible impact. Although later screening processes would still be necessary to ensure that the correct companies are selected for the right reasons, this option could potentially help to increase the efficiency of aid by firstly allowing newly interested companies to easily obtain a significant initial insight, and secondly by facilitating coordination efforts worldwide.

b). For the AECID

The following recommendations for the AECID are thus specifically aimed at particularly improving compatibilities between it and the Tool but also at maximising the effective use of the Tool and the potential impact drawn from its use. These recommendations are as follows,

- The first recommendation stems from the language facilities available on the AECID's website. Although the website is for the most part very complete in terms of content, it seems that in the current world order it is a significant disadvantage to not offer different language options in websites, particularly English. Apart from allowing a larger percentage of the general public to access the website it would also allow more efficient interactions with other institutions and organisations, including companies and other national and international development agencies. It is true that both the DFID or the BCtA websites provide these facilities either and so this recommendation would hold for them as well.
- All of our recommendations seem to reflect the notion that although the AECID seems willing to undertake partnerships for development with the private sector, it completely lacks an adequate strategy to achieve this goal. The website lacks any significant or specific information about relations with private businesses or intentions to undertake such relations. If the AECID truly wishes to engage the private sector and develop partnerships with it, it must establish a specific, adequate and well-communicated strategy aimed at both attracting the interest of businesses and at providing the information necessary to allow all relevant parties to agree with these associations. In addition to a coherent strategy, it seems the AECID

also needs to develop clear and sensible operational guidelines regarding how it will establish these partnerships as well as how it will undertake the selection process to assign different companies to the various projects or programmes they will be best suited to.

6. CONCLUSIONS

a). What we learned from our research

Our research highlighted the idea that development requires all actors to play an active role in society. These actors have to establish and follow clear responsibilities, in order to have positive results in all the challenges we face today. The private sector has an opportunity to address the challenges of today, and at the same time strengthen its businesses by adding and improving to their own value (may this be in the sector or industry it belongs to). In the journey for development, the different actors must represent their own perspective, but with common goals. In this scenario, cooperation agencies are driving forces which- in partnership with responsible businesses -can play a crucial role in development.

Businesses can use the expertise provided by cooperation agencies in order to elaborate a solid CSR strategy. Some cooperation agencies are already playing an active role in enabling and promoting corporate social responsibility. As we have mentioned before, businesses can use the example of the Swedish International Development Agency (SIDA). By integrating corporate responsibility issues into their lending and procurement processes with this action they are truly pursuing a greater impact in development. We believe that by implementing these types of measures, the agency is motivating companies to adopt and reinforce responsible behaviours. The approach of this agency is proactive since they are establishing the necessary criteria to be able to work with businesses while enhancing value for society.

Training and capacity building is a way for agencies and businesses to invest in corporate social responsibility. Cross sector partnerships require an understanding of the subject and international cooperation agencies can be a “tutor” in how to achieve them; by sharing their knowledge on the subject not only with the partners they work with, but with other actors that might be interested in pursuing a partnership themselves. Knowing the benefits, actions and challenges that partnerships have beforehand; and knowing by lessons learned and past experiences how to go deal with them this is a useful tool to elaborate an accurate strategy. Cooperation agencies (such as the Swedish and the English ones) are reducing the limitations that a lack of training and capacity building represents when working in partnerships.

b). What have we learned from constructing the tool

Although we wanted to create a tool that measures the CSR performance of companies to determine if the AECID could work with them or not; the agency is interested in a more passive approach. This means that at this first stage, they are just interested in a communication and educational tool, without judging the performance of each company. Nevertheless, we considered that knowing what companies are doing is helpful to see if the lines of work can go together with those of the AECID.

The 3-phase tool we have designed contains information about the different areas that we considered essential in order for companies to have a strategic CSR agenda. By using this tool companies will have a more direct exposure to the terminology and the different criteria that is necessary to establish a CSR strategy in the company. They can compare their situation with the examples we have provided.

The self-assessment tool allows companies to plot themselves according to four criteria we have established. This intends the visualization by the companies to know where they stand and in what areas they should be working more on. At the same time it helps the AECID to focus on the type of partners they want to collaborate with.

Corporate Social Responsibility is the pathway in which companies and donor agencies meet to increase the impact on development, therefore creating value for society and the company. Nevertheless, there is still a lack of research, measurement tools, benchmark and indicators of CSR. In this context, the cooperation agencies can promote spaces of knowledge sharing; create platforms of good practices to foster this type of behaviour among the partners they want to work with. We believe they could set high standards to work with companies already developing CSR strategies. The potential advantage of the tool is that you can filter the companies but at the same time it has an educational approach that allows companies to learn more about CSR.

If cooperation agencies are able to establish partnerships with companies that are willing to adopt and strengthen their CSR actions, sustainable development could be achievable in our lifetime. That is why we think that The 3-phase tool is a starting point for the AECID to engage with the private sector.

We had some challenges developing the tool since we had to address it to the private sector as a whole, so we had to use general terms unable to go in depth. We believe that this tool must be addressed directly to specific sectors. Each sector has its specificities; therefore a tool constructed with this in mind will have much more detail, thus creating a more complete assessment for both the company and the agency. On the other hand, we only had Microsoft Office programs to develop the interactive tool, so we think that by combining the criteria we have developed with the appropriate software (like Adobe Flash) it is possible to produce a much more dynamic and better designed tool.

Overall, we think there is a need to develop more tools of this type because CSR theory related to partnerships has not been fully developed. Using these types of instruments will enforce concepts and review best practices to be elaborated in further detail and to create and reiterate knowledge.