


Successful implementation of the ISO 26000 standard depends on adopting a unified approach that involves eight key attributes.

A Global SR Standard

Good, or Too Good to Be True?

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Humanity is gaining awareness of the effects its decisions and actions have on current and future life. That recognition has translated in to efforts to establish global standards for greater social responsibility. ISO 26000, the guidance standard for social responsibility issued by the International Organization for Standardization, has gained quite some attention from practically all areas, but a unified stance is yet to be determined. Intended to provide guidance rather than rules, this standard will require ongoing global collaboration between stakeholders. Whether ISO 26000 will succeed or sink into oblivion depends on the collective efforts we, as a global community, are willing to invest—the degree to which we want our awareness to become action. This article provides a brief overview and presents eight attributes on which we need to focus if we want ISO 26000 to work—stakeholders, trust, attention, novelty, diversity, alliance, respect, and dedication.

Wakeful Times, Wakeful Standards

As we're advancing into the second decade of the 21st century, the topic of greater awareness is gaining prominence in a wide variety of forms and dimensions, including the following:

- Workforce members are pressing for more recognition.
- Customers are pressing for greater quality at lower prices.
- Environmentalists are pressing for more responsible allocation of resources and less ecological destruction.
- Communities are pressing for more social responsibility.

In fact, all of these demands have one common core—hope for better treatment. The time that any business, governmental, or non-governmental organization could be established with purely selfish motivations is definitely past. There are too many mechanisms that keep track of what we do, too many measuring devices that register how we

do it, and too many stakeholders who observe why we do it. These stakeholders have become the most important cohort in the performance of any entity. Never before has our awareness of stakeholder theory been so well developed; and never before have we been confronted so clearly and so frequently with the input of internal and external stakeholders.

An organization's stakeholders are affected by the current and future impacts of its decisions and actions. Stakeholders can be internal or external to the organization, including customers, employees, suppliers, the community, and even future generations. In this day and age, leaders in any setting have become aware that they cannot focus on only a handful of shareholders, but that they must consider the long-term ramifications of their organizations for as wide a group of living beings as possible. With such a diverse perspective as input, leaders are faced with the need to broaden the scope of their interest in social responsibility.

Passionate and Concerned Voices

The progress made in recent years on the ISO 26000 standard points in a very hopeful direction. This comprehensive standard for social responsibility was released in late 2010, and it entails principles to follow the rule of laws, adhere to international norms, and respect human rights. As a guidance standard, it "is intended for use by organizations of all types, in both public and private sectors. It covers labor, human rights, the environment, corruption, consumer concerns, and other issues pertinent to social responsibility."¹

Examining the standard's notions on corporate responsibility, Assländer asserts, "The ISO working group defines social responsibility as the responsibility of organizations for their influence on society and the environment. Corporations must contribute to sustainable development through transparent and ethical behavior, which increases the wealth and welfare of society, respects the demands of all relevant stakeholders, and is in line with applicable laws, international regulations, and standards of behavior."² Henriques notes that within these broad concepts, a variety of details are included, touching on many aspects of human performance and human treatment.³ Beautiful ideals such as non-discrimination, ceased corruption, fair competition, and customer concern are

consistent elements of ISO 26000.⁴ Pojasek even credits this standard as a valuable monitoring system for organizations to convert their environmental management operations into integrated sustainability management systems.⁵

Indeed, ISO 26000 expands the purview of ISO's other standards. Henriques clarifies that ISO has always been known as a producer of standards on technical and internal performance issues. He points out that ISO 26000 is different because it does not have competition as its main focus but rather on collaboration. This may be the point, however, when some dark clouds start to appear on the horizon. As can be expected for any new initiative, there are many passionate supporters, but also many concerned voices, reacting to this change.

Supporters' thinking seems aligned with the United Nations' formulated Millennium Development Goals with a Global Compact as one of its eight projected outcomes for 2015. Frost encouragingly shares that there are 99 ISO member countries involved in the development of this standard, 69 of which are considered to be developing nations.⁶ Jacobsen also highlights the collective core of ISO 26000 by delineating that social responsibility is a multidimensional approach and cannot be seen as isolated—it has to be collaboratively integrated in every aspect of performance.⁷ This may conjure up thoughts of total quality management that has expanded into all possible dimensions—operating practices, consumer concern, community consideration and development, fair operations, honorable labor practices, decent organizational governance, human rights, and the environment. In the context of ISO 26000, social responsibility is not a corrective action at the end of a cycle, but an embedded value that should be understood and embraced at all levels of an entity's performance.⁷

Those who are concerned with the standard raise a number of rational fears. On one hand, there are the globally operating constituents from industrialized countries (e.g., multinational corporations) who are concerned that their operations in developing nations may become subject to more intense scrutiny and lead to a new series of demands that they might not be able to meet. On the other hand, there are numerous groups in developing nations that fear an eruption of

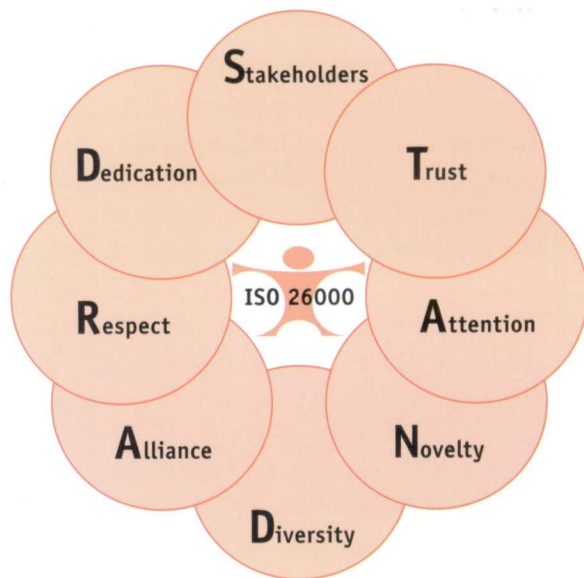
exactly which ISO 26000 aims to eradicate—unfair competition. Jimena posits a valuable comment in that respect; “Done well, ISO 26000 could drive competition among enterprises for better social responsibility performance. Done badly, it could inadvertently further the global squeeze on small producers unable to meet the aspirations of its guidance.”⁸ After all, it is easier to meet global standards when finances, connections, and a number of other infrastructure areas are abundant and well established. It is much harder when you are a small player in a small, developing nation, trying to establish yourself in the midst of an army of seasoned opponents. As an illustration of this issue, Henriques presents concerns from the United States and India, which both argue that ISO 26000 can become a handy tool for governments to implement trade barriers.³

Focusing on the Positive: A Unified Standard

Of course, there always will be just as much acclaim as apprehension with every development, regardless how laudable the intentions. ISO 26000 is no exception to this rule. Living in these exponential times, we should take serious note of the concerns mentioned and work toward a true, unified standard. Eight aspects of ISO 26000 to scrutinize thoroughly to ensure successful implementation are shown in Figure 1 and are described below:

- *Stakeholders.* Internal as well as external stakeholders should be involved in the formulation of social responsibility and what it entails for any entity.⁵ Since ISO 26000 pertains to a global human rights standard, a multitude of complications may arise, and have to do so from the multi-stakeholder approach.³ Castka and Balzarova stress that ISO 26000 is intended to provoke a shift from customer focus to stakeholder focus and to create a business-to-society orientation in organizations.⁹ Social responsibility—much like security, honesty, trust, or success—is a fascinating, yet hard to define term when it comes to organizations’ performance. How far should the responsibility of any organization go, who should be involved, and how should social responsibility initiatives be implemented? These are just some of the questions to answer. Although social

Figure 1: ISO 20006: A Unified Standard



responsibility entails overarching concepts, there are specifics that need to be crystallized for corporations, industries, governments, and nations to grasp its implications.

- *Trust.* Leaders are well aware that trust is a critical factor in achieving success in any venture. In relation to social responsibility, however, the magnitude of trust required transcends far beyond the internal-organizational level. Jacobsen labels it “Public trust and strong reputations,”⁷ which would be characterized by an expansive degree of consideration. Jastram¹⁰ seconds this notion and Bernhart spells out the reasons why building massive trust is so important—the actions of leaders in recent decades have caused enormous declines in trust, resulting in increased stakeholders’ expectations. According to Bernhart, guidelines such as ISO 26000 can help restore credibility, trust, and brand value.¹¹
- *Attention.* Paying closer and more uniform attention to the way we go about our business is critical to corporate social responsibility. At a recent APICS International Conference and Expo, IFS North America’s senior advisor, Bill Leedale, asserted that the four areas addressed by the U.N. Global Compact—human rights, labor, the environment, and anticorruption—are covered by three elements, which he refers to as the three Ps: people, profit and planet.

Leedale is convinced that finding a balance between these three elements can help meet all standards in any industry.¹² Mahajan lists a number of contributing factors that bear vigilance, such as globalization, increased technology, and increased awareness, and he concludes that ISO 26000 can be highly useful in the near future.¹³

- *Novelty.* Zenko and Mulej present this powerful statement, "Development or existence of human society depends on innovations and the end of one-sidedness of behavior."¹⁴ One of the essentials in achieving and maintaining excellence in performance is ensuring a climate for ongoing innovations. In these times where constant change is the only thing of which we can be sure, lifelong learning has embedded itself as a prerequisite for leadership and adaptability. According to Jacobsen, innovation is one of the fundamentals included in ISO 26000.⁷ Von Wieltzien Hoivick encourages small and medium-sized enterprises that may wonder how to measure up to larger, more advanced corporations to look for processes where strategy, business innovation, personal development, and continuous learning are interlocked with understanding.¹⁵ Social responsibility as defined in ISO 26000 certainly offers that opportunity.
- *Diversity.* This concept is ubiquitous in the existing global state of affairs. Diversity involves a broad array of aspects, such as human, performance, industrial, size, cultural, ideological, geographic, and perceptual diversity. Considering this compelling yet intricate labyrinth of factors organizations must address today, Brodhag underlines the need for global regulation processes which involve all stakeholders and mentions the ISO 26000 standard on social responsibility as one of the effective ways to do so.¹⁶
- *Alliances.* The only way we ever will get to an achievable and sustainable standard is through global cooperation. The U.N.'s Global Compact is an example of an alliance that fits with ISO 26000. Yates and Murphy underscore that successful standard setting requires assurance that there is a sense of togetherness and compatibility in perceptions among

products, industries, and countries.¹⁷ Along the same lines, Jimena stresses that we will need consensus to make ISO 26000 successful. She points out that when this standard was first formulated, there was a great alliance between governments, industries, labor groups, consumer organizations, NGOs, academics, consultants, and other bodies in reaching consensus on what social responsibility should mean.⁸ Now that ISO 26000 has been released, the cooperation among global constituents needs to be maintained; otherwise this standard could lead to results that are in exact opposition to its goal—as previously mentioned, increased global squeeze on small producers who will be unable to meet the aspirations of its guidance.

- *Respect.* As with all the concepts discussed in this section, respect has to be considered in a broad sense here as well. This means that a standard of global dimensions only can be sustained if there is proper respect for people and the environment, which then gets translated into fair practices, concern for people, and care for places (environments). Assländer underscores that corporate social responsibility procedures should entail raised standards of social development, environmental protection, and respect of fundamental rights.² His statements are seconded by Altschuller, Lehr, and Orsmond, who affirm that it all boils down to respect for human rights.¹
- *Dedication.* No lasting success can be attained without dedication to its purpose; therefore, this quality is essential at micro as well as macro levels. Castka and Balzarova indicated earlier that ISO 26000 will require a shift from customer focus to stakeholder focus.⁹ This shift needs to be broad enough to embrace all living beings and the resources that sustain their existence.

Conclusion

Is ISO 26000 a utopia? Only if we make it one. We've created cars that drive, and now do so using a number of responsible alternatives to gas. We have built airplanes that can take several hundreds of people into the sky at the same time and deliver them safely to a different continent within a day. We've developed communication

mechanisms that enable us to learn from one another instantly and continuously. We have become accustomed to differences and learned to respect and even embrace them. It is time now to round it all up with the one thing we have not done yet—establish a code of unified respect, and in a standard that can be maintained. ISO 26000 is here. Now it's up to us to decide what we can make of it.

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