

## Corporate and Stakeholder Citizenship

Many businesses, in some cases encouraged by a voluntary framework, have already embraced the goal of sustainable development (SD) and are working towards that objective. Others have not. A more coherent **framework** is required to support a move of all businesses towards **goal congruence**: a congruence between the goals of different businesses and the broad goal of sustainable development. Additional action can be taken over and above the framework to encourage appropriate behaviour.

**Corporate citizenship** (a contested expression) is about citizenship (i.e. being a good corporate citizen) being at the heart of strategic planning within businesses  
**Stakeholder citizenship** is about extending this concept to all organisations.

<b>Corporate Citizenship Overview</b>	<b>Potential Action Areas</b>
<p><b>A. The Current Conceptual Framework</b></p> <p>Corporate Responsibility            External factors:              Guidelines e.g. OECD guidelines              Legislation              Subsidy              Taxation              Stakeholder influence</p>	<p>How can the framework be improved?            What steps can stakeholders take to bring about such improvement?</p> <p>Which are the best? How to support?            No requirement for cost internalisation            Often inconsistent with SD            Often inconsistent with SD</p>
<p>Transparency            Reporting e.g. GRI</p> <p>Verification</p>	<p>Best approach? How can stakeholders influence?            Best approach? How can stakeholders influence?</p>
<p>Accountability</p> <ul style="list-style-type: none"> <li>• To shareholders</li> <li>• Legal?</li> <li>• To stakeholders?</li> </ul>	<ul style="list-style-type: none"> <li>•</li> <li>• Desirable? Outline terms.</li> <li>• Desirable? Who defines stakeholders? How to implement?</li> </ul>
<p><b>B Encouragement for leading sustainable development companies</b></p> <p>League tables            - international            - stock exchange based e.g. DJSI, FTSE4good</p>	<p>) Desirable? How to support? How to            ) ensure that they are used/ have            ) impact?</p>
<p><b>C Encouragement of laggards and middle group</b></p> <p>Best practice/ benchmarking e.g. Global Compact            Positive NGO campaigns</p>	
<p>Encouraging corporate change initiatives (instilling the organisation with a set of values)            - via stakeholder dialogues            - via legislation</p>	<p>How to substantially increase the number of corporations with a set of values compatible with sustainable development</p>
<p><b>D Specific examples of corporate citizenship</b></p>	<p>Focus on Process examples (substantive examples dealt with under Other Issues)</p>

## SUMMARY

### Possible Stakeholder Action Steps:

1. Draw up Corporate Citizenship Conceptual Framework
2. Map existing initiatives onto Framework
3. Assess relative merits of existing initiatives and identify gaps
4. Draw up Target Framework
5. Identify steps that need to be taken to achieve Target Framework

### Questions:

- To what extent is this framework applicable to **all stakeholder groups** – e.g. NGOs, Trade Unions etc ?
- How could it be modified? e.g. to include legitimacy
- What steps should be taken to introduce such a framework?
- Should the relationship between stakeholders and Governments be addressed?
- Should stakeholder collaboration be addressed?
- Does the term “Corporate and stakeholder citizenship” adequately describe the issues covered here?

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