ACR Aboriginal Programs Project
Program Template

Program Area:	1.0	Corporate Policy
Sub Program:	1.2	Benchmarking Performance in Aboriginal Relations
Template:	1.2.1	Corporate Social Responsibility (CSR) Reporting and Aboriginal Relations
Sponsor(s):	*Conference Board of Canada*	

1. Objective

To track and benchmark performance and relate it to Corporate Social Responsibility (CSR). This will help companies better understand how to effectively manage and integrate CSR into everyday operations, decisions and activities.

2. Description

CSR is the overall relationship of a company with its key stakeholders. These include customers, employees, owners/investors, suppliers and communities. The five elements of corporate social responsibility are investment in community outreach, employee relations, creation and maintenance of employment, environmental responsibility, human rights and financial performance.

For most companies, corporate Aboriginal relations touch on all elements of social responsibility. Whether corporate Aboriginal relations are viewed as a human rights, human resources or simply good community relations, Aboriginal people are an increasingly important stakeholder group that must be engaged if business is to be sustainable.

The Corporate Responsibility Assessment Tool (CR AT) is an internal assessment tool that employees and management use to evaluate the company's performance in a variety of areas of CSR. It focuses on the steps that a company needs to implement in order to manage its relationships with stakeholders, measure and track performance data, and internalize performance information for continuous learning and improvement. The information collected through the assessment process provides management with a clearer understanding of how their CSR practices compare to public expectations for responsible behaviour. This knowledge gives management an opportunity to:

➢ Better understand how their activities make an impact on society
➢ Determine where changes can and should be made
➢ Establish company priorities to move forward with these changes
➢ Set goals that work towards a balance between business and stakeholder perspectives
➢ Develop a business strategy to align with social and environmental realities
➢ Engage in strategic business planning to embed CSR practices

3. Implementation

How the tool works

The CR AT is a Web-based tool that companies can use to manage, measure, and improve their CSR performance. It is designed to give management a clearer understanding of how their CSR practices compare to public expectations for responsible behaviour. The tool focuses on continuous improvement and uses a scale of development to help companies identify where progress is being made and where more effort is required.

Within five broad categories, many more specific issues are addressed, including ethics, supply chain management, volunteerism, stakeholder engagement and continuous improvement. While each company will have its own sense of which areas are most important to them, it is vital to recognize that integrating efforts in all related CSR areas is key to the effective management of CSR.

For each of these five areas of social responsibility, the company is asked to assess how developed their CSR processes are. Because the CR AT is an internal management assessment tool, practices and levels of performance are assessed as perceived by the company. The company sets its own targets, measures against these targets, and works toward performance that improves over time. The results of the assessment will show the company where its strengths lie and what areas need improvement. This information can be used to establish company priorities for CSR and develop business strategy for integrating CSR into everyday operations.

4. Timeframe for Results

Depends on the availability of the information, and the number of individuals who need to be involved in the various areas of reporting. An average timeframe for results in 12 weeks.

5. Measurable Criteria

Most of the areas in the CR AT can be adapted to measure progress in corporate-Aboriginal relations. Criteria include:

➢ Aboriginal representation in the company's workforce

➢ Aboriginal policy/cultural diversity programs that recognize and respect differences among Aboriginal people

➢ Engagement/inclusion of Aboriginal communities in areas where the company operates; companies and Aboriginal communities have similar/complementary objectives that are clearly understood and communicated

➢ Joint business ventures in Aboriginal communities; partnerships; Aboriginal communities benefit from these ventures and have opportunities to use their skills; Aboriginal communities are included in identifying issues, opportunities and planning joint projects/ventures

➢ Training/education of Aboriginal peoples; grants/scholarships specifically for Aboriginal peoples

➢ Percentage of funds set aside or percentage of contracts given to Aboriginal businesses in the areas in which the company operates

➢ Strong communication between the company and the Aboriginal community

6. Budget

$10,000 to $20,000 depending on size of company.

7. Partners and Sponsors

Conference Board of Canada, Canadian Centre for Philanthropy

8. Experience with the Program

SaskEnergy and Suncor are two companies that have used the CR AT to assess their CSR practices. Other companies such as Shell, Syncrude and Alcan have provided input into the development of the tool.

9. General Applicability

The CR AT is applicable to all industries and sizes of firms. It uses scales of development instead of yes/no statements, so companies at all stages of CSR development can use the tool. Using the CSR AT helps determine how developed CSR processes are and gives the opportunity to improve them as needed. On-line links to an "IdeaBook" provide examples, definitions, case studies and suggestions on how business activities relate to CSR for small, medium- and large-sized businesses.

10. Additional Information or Support

Stelios Loizides, Senior Research Associate, Governance and Corporate Social Responsibility, The Conference Board of Canada, 255 Smyth Road, Ottawa, ON K1H 8M7

Telephone: (613) 526-3280 ext. 308

Email: loizides@conferenceboard.ca

Date Entered or Updated: August 22, 2005