



The EFQM Framework for Corporate Social Responsibility



In October 2003, the Global Compact signed a Memorandum of Understanding with the European Foundation for Quality Management (EFQM) with the aim of promoting corporate citizenship through the effective use of leading-edge management practices. This memorandum followed an earlier commitment by EFQM to integrate the Global Compact's nine principles into the corporate social responsibility guidelines of its EFQM Excellence Model, a non-prescriptive management framework currently used by over 20,000 organisations across Europe.

The strong complementarity between the Global Compact and EFQM is apparent: The Global Compact offers a framework for global corporate citizenship on the basis of universal principles, while EFQM offers concrete services and support to facilitate the integration of such frameworks into organisation excellence.

The EFQM Framework for Corporate Social Responsibility, which draws on the EFQM Excellence Model, Global Compact Principles and other sources, now offers organisations a structured approach to corporate social responsibility. It contains practical guidelines based upon leading edge management practices.

I very much welcome and commend the initiative of EFQM and its leading member organisations in launching this framework.



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1.1. Introduction

Organisations in the private sector survived historically by generating maximum profits for their shareholders. In the public sector the historic focus was on providing a service at the least cost to the taxpayers. Today this approach is simply not enough to guarantee survival. In the modern world, organisations of every size and in every market have to earn and retain the consent of society at large to stay in business – and that consent will only be given if communities believe the operation has a beneficial ‘footprint’ on the human and natural environment.

Powerful media reaction means that organisations are now under intense scrutiny. Ordinary citizens, potential investors, pressure groups, politicians, insurance companies and a wide range of other stakeholders are increasingly holding organisations to account for the social, environmental and economic impacts that they have on every community in which they operate as well as on the natural environment.

There are however many organisations that are already committed to their stakeholders, already contributing to society. They are not doing so because they fear the reaction of pressure groups on their activities, but because it is part of their culture, their philosophy. For them it is logical to be committed to its stakeholders, it might even be the reason for their existence. Those organisations sometimes do not even know that what they are doing has a special name: Corporate Social Responsibility (CSR). For them it is logical to act like that, it is truly embedded in their organisation. Nevertheless, they might not be applying this to the full extent or to the entire organisation and its supply chain partners.

Corporate Social Responsibility (CSR) is an essential ingredient for the survival of any organisation. Given that all organisations have some connection with society, CSR is becoming, to varying degrees, an unavoidable issue, irrespective of an organisation’s size or sector. However, this being unknown territory for many organisations, they are not necessarily well equipped to deal with the challenges ahead.

Together with tools provided in this document for the identification of stakeholders and for the CSR Self-Assessment of the organisation, this Framework will help advance CSR in the management system. It can be used in the context of any management system and is fully compatible to the EFQM Excellence Model. In the document which is called ‘The EFQM CSR Toolbox’ further tools will be offered on CSR Self-Assessment, like a CSR Questionnaire and Pro-forma Self-Assessment, as well as on Reporting.