

# Sustainable profit for SMEs





# Colophon

'Sustainable profit for SMEs' is written for Small and Medium Enterprises (SMEs). In this handbook, we will explain how to achieve sustainable profit using seven practical steps. The International Standard 'ISO 26000 Guidance on social responsibility' offers guidance throughout this handbook.

In the first edition authors Hans Kröder and Jaap de Vries have bundled their experience and practical tips with help of 19 SME companies from The Netherlands. This second edition is more focused on worldwide usage and includes only four Dutch case studies. It is our intention to share cases from SMEs all over the world via the connected website: [www.iso26000forsmes.com](http://www.iso26000forsmes.com)

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Parts from the text in this handbook may be referenced to or re-published under the condition that the source is mentioned. The authors would appreciate you to share this information with other entrepreneurs.

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# Foreword

As our old linear economic system is at its decline and crises appear one after the other, recent years have seen an unprecedented rise in the popularity of entrepreneurship. The Netherlands is even a frontrunner in Europe when it comes to start-ups. It is clear that SMEs are the economic engine of countries and a breeding ground for innovation.

## Trial and error

The transition towards a circular and more sustainable economy offers many business opportunities for SMEs. This is a process of trial and error, which involves making mistakes. Personally we learned the most from the mistakes that we have made in our entrepreneurial careers. Trial and error is a recurring phenomenon and recognizable for every entrepreneur: Large, small, starter, independent contractor or CEO of a multinational corporation.

## Scalable global impact

In this book you will find useful tips and examples to help you become a successful frontrunner in sustainable entrepreneurship. Issues like scalable global impact, ambitious sustainability goals, good entrepreneurship, effective partnership, solidarity and social justice will soon feature more prominently on your checklist. Today, it really matters what we do and how we do it.

*Jacqueline Zuidweg illustrates:*

In contrast, we are a nation of conventional thinking and entrepreneurship. The number of SMEs hardly grows, and the failure rate after five years has been around 50% for years. Surely that can be improved! You start your business driven by passion. You are good at your job and have a dream. Of course, you don't start as a seasoned entrepreneur. So how do you become one? Where do you get the knowledge and experience to turn your company into a sustainable success-story? The answers are straightforward: by putting the hours in, gathering the right people around you, staying yourself and by doing the things that you enjoy. Your family will be grateful too, as a good balance between business and private life is a prerequisite for success.

*Ruud Koornstra adds enthusiastically:*

Recently, a new dimension has emerged that gives an extra boost to entrepreneurship. Today, there are more and more leading entrepreneurs who invest in clean technology or sustainable transitions. They show us that we should stop wasting valuable resources on useless things. Also, they are convinced that sustainable entrepreneurship plays an important role in quickly finding solutions for the challenges humanity faces. It is no longer a side issue. It is a movement that can turn the tide, despite great scarcity and immense population growth.

*'Sustainability is no longer  
a side issue, it is pure strategy'*

Jacqueline Zuidweg,  
business woman 2012

*'We are transforming from  
unlimited growth to  
sustainable innovation'*

Ruud Koornstra,  
sustainable entrepreneur



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# Sustainable profit

Sustainable profit for SMEs, should actually be called: Sustainable profit for and by SMEs.

This step by step plan helps you, as an entrepreneur, to achieve sustainable profit for your own enterprise as well as for society, environment and the economy. Consequently, small and medium enterprises become a cornerstone for a new and sustainable economy.

## Three dimensions of sustainable profit

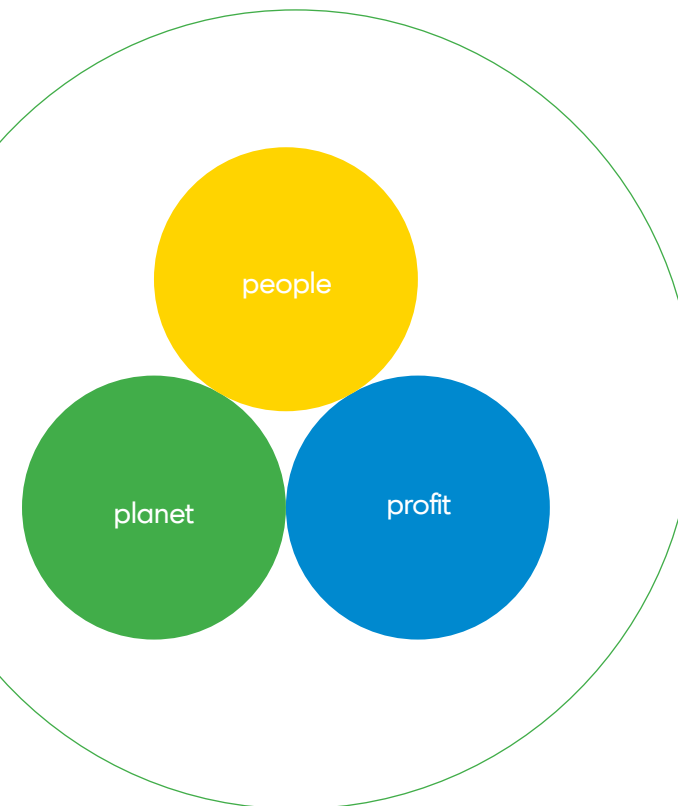
So what actually is sustainable profit?

We define sustainable profit using three types of 'profit':

- ☐ For the welfare of people and society
- ☐ For the environment
- ☐ For the economic system

Sustainable profit is therefore about three dimensions of sustainability, also known as:

- ☐ Social sustainability (**People**)
- ☐ Environmental sustainability (**Planet**)
- ☐ Economical sustainability (**Profit**)



## Restoring the balance

Social responsibility (or sustainable entrepreneurship) is often associated with energy saving, waste separation and other environmental issues. Although these are definitely important, social responsibility is about much more. This broad approach is, beside the environment, also about human rights, working conditions, consumer interests, fair operating practices and community development. We live in a time in which we are starting to learn how to restore the balance between humanity, environment and economy. These three dimensions are fully related. You will find that there are seven core subjects to help you create the balance.

## A new, sustainable economy

A transition to a new, sustainable economy has been initiated: From a linear economy, where wastage is the norm, to a circular economy in which natural resources are continuously re-used and all energy is sustainably generated. And, to an inclusive economy, in which welfare is more equally divided. If we are to give future generations and ourselves a chance, this is the only option. A sustainable entrepreneur responds to this, anticipates to changes in society and seeks opportunities to add value for humanity, environment and economy: **people, planet, profit**. In short, sustainable entrepreneurship first of all means anticipating the future.

## Responsibility for all organizations

Many definitions for corporate social responsibility (CSR) or sustainable entrepreneurship are in circulation. Despite slight differences, all of these definitions mean essentially the same thing. ISO 26000 mentions '**social responsibility of organizations**'. This is to indicate that it is not just for companies, but also for governments, trade unions, consumer organizations, non governmental organizations (NGOs), science and education. Social responsibility applies to all organizations, regardless of type and size.

## Definition of social responsibility:

Summarized, this is the ISO 26000 definition:

Maximize your contribution to humanity, environment and economy and take into account the needs of our current and future generations.

PS. We will use the preferred term of ISO 26000 'social responsibility', abbreviated as 'SR' instead of 'corporate social responsibility (CSR)'

Active responsibility

Social responsibility (SR) begins with having respect for, and abide to law and regulations, but can go much further. Especially in countries where law and regulations aren't always fair. Or in situations where law and regulations are inadequate or even non-existing. Or when regulations conflict each other. That is what makes it so interesting as well: It's your own choices that affect the future of your company and society. So be alert and ask yourself whether you wish to, and are able to go further than what is required of you. The point is that businesses and other institutions actively accept

responsibility for their actions' implications on society, environment and economy and where possible, even provide a (maximum) positive contribution. Accepting active responsibility is no idealism. It is expected from every enterprise. When you take it seriously, you will generate a lot of goodwill. Besides, you will become more aware of your companies' position in society. Subsequently, you will be able to more consciously react to developments in society and become alert of new business opportunities more quickly.

United Nations and Sustainability

ISO 26000 connects to the since 1987 most commonly accepted definition of 'Sustainable Development' from the UN report 'Our common future', also known as the Brundtland Commission:

*'Development which meets the needs of current generations without compromising the ability of future generations to meet their own needs.'*

Apart from ensuring a bright future for next generations, the commission also noted that sustainable development also requires a better distribution of global welfare.

'Towards  
a new,  
sustainable  
economy'



# 2

## Which social responsibility (SR) subjects are important?

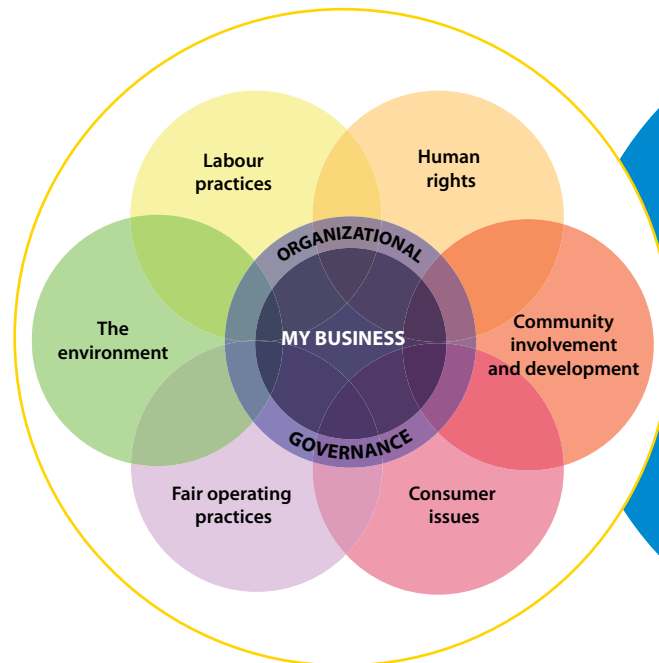
When thinking about sustainability issues, 'the environment' often comes to mind. This is certainly important, but it is not the only subject. Worldwide, it was agreed that there are seven core SR subjects that are important to every (!) organization. This enables you to adopt a comprehensive approach for your business.

### The seven core SR subjects

The seven core SR subjects that are important to every organization are:

1. Organizational governance
2. Human rights
3. Labour practices
4. The environment
5. Fair operating practices
6. Consumer issues
7. Community involvement and development

The seven core subjects are reflected in the SR flower. Every core subject is explained using SR issues and examples.



### 1. Organizational governance

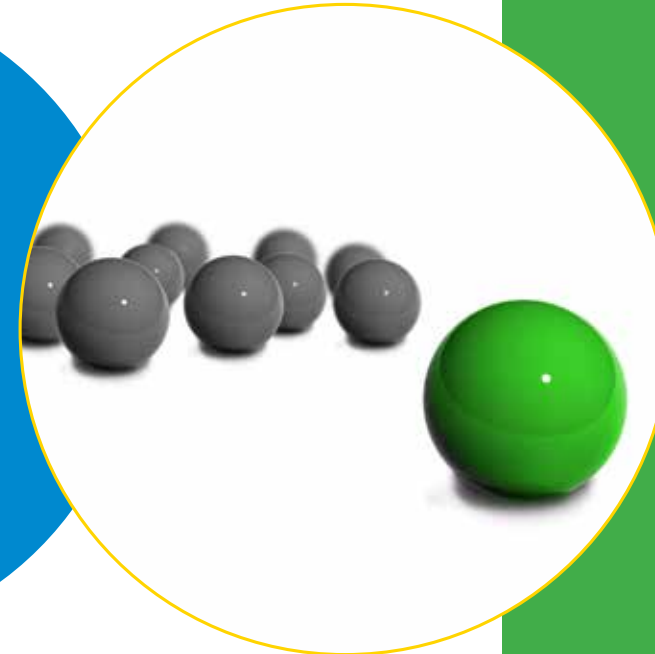
In managing a company, you deal with people, the environment and other businesses. 'Good governance' thus affects all other core themes. That is why it is so important to include the seven SR principles in your management and to address social responsibility into your everyday decision making process.

The seven SR principles are:

1. Accountability
2. Transparency
3. Ethical behaviour
4. Respect for stakeholder interests
5. Respect for the rule of law
6. Respect for international norms of behaviour
7. Respect for human rights



- Adopt the seven SR principles into your management.
- Create a decision-making culture that encourages your employees to act socially responsible and reward them accordingly.
- Lead your company by setting the right example.





## 2. Human Rights

Human rights are the basic rights that all people on earth are entitled to. They apply to all people, regardless of race, gender, origin, colour, language, religion, political opinion or status. Human rights have been universally agreed upon by the United Nations and must be applied everywhere. In many countries human rights are well recognized in legislation. For example, think about the right to education, right to social security, no child labour, freedom of association, right to the highest attainable standard of healthcare and the right to food.

However, situations may occur in which you will need to be alert:

- In countries with good legislation, these could be situations concerning discrimination, vulnerable groups and the ability to report and resolve complaints of violations
- In countries with weak legislation of ineffective government control, risks of human rights violations are far greater. Examples of violations include:
  - Forced labour, child labour and the lack of any form of education.
  - Discrimination of women and girls, indigenous populations, people with HIV/AIDS and people with disabilities.
  - Obstruction of collective negotiations among employees
  - No freedom of expression.



# tips

- Prevent discrimination, involve vulnerable groups and provide a hotline where people can report misuse:
  - Develop a positive attitude to promote diversity in personnel and to give people with a backlog or disability a chance to work.
  - Provide an internal or external counselor and possibly a whistle blower scheme.
- Analyze risks of human rights violations and refer to, for example, the Ministry of Foreign Affairs, your embassy, industry associations, the international Chamber of Commerce and human rights organizations in countries where:
  - You operate yourself or participate in business.
  - Your suppliers of important raw materials or products operate.
- Avoid complicity through relationships with business partners and suppliers:
  - Ask for a declaration or proof of respectful treatment of human rights. In addition, ask about their relations with suppliers and business partners. Report abuse to the National Contact Point (NCP) when you are an OECD country.
  - Do not hide arising dilemma's, but discuss them transparently. Dialogue often leads to solutions.

## 3. Labour practices

Job creation, as well as wages and other compensation for delivered labour, are among the most important economic and social contributions of an organization. 'Labour Practice' is a broad concept that involves not only health & safety, and training and development schemes, but also the recognition of free trade unions, councils or participation bodies that guarantee social dialogue between employer and employee. Labour principles are established worldwide in conventions and recommendations of the International Labour Organization (ILO) of the United Nations. This concerns the right that everyone has to earn money through freely chosen work and the right to fair and reasonable working conditions. In many countries these principles are well incorporated into legislation.

As well as with human rights, situations may still occur in which you will have to be alert, for example:

- In more developed countries:
  - Ensure equal conditions and payment for men and women, including foreign workers.
  - Ensure fair and understandable information about contracts and working conditions such as pension plans.
- In less developed countries:
  - Ensure proper working conditions, for your own activities, participations, and key suppliers as well as business partners. If necessary, ask for an explanation or proof of proper conduct.
  - Be transparent about dilemmas and seek dialogue for the improvement of working conditions.

# tips

- Ensure adequate safety and health at work:
  - Safety: do checks beforehand, supply personal protective equipment, give clear instructions and training (including in the languages of foreign workers) and utilize certifications.
  - Health: Adopt preventive health checks, encourage exercise, pay attention to healthy catering and provide a good balance between work and rest.
- Ensure personal development and training:
  - Agree upon personal development schemes and personal budget, utilize 'training-on-the-job', job rotation, job sharing with partner businesses, private study, exhibition and company visits, learning and information sessions organized by trade associations.
- Provide a high level of employee satisfaction:
  - Involve employees in the social dialogue on the issues that are of interest to them. Get them involved in flexible working and working at home, dealing with temporary workers and interns. Ask them to contribute to sustainable innovations.





#### 4. The environment

Decisions and activities of your business almost always have an impact on the environment, no matter where you are located. This core subject contains four environmental issues that vary in relevance depending on the business.

1. Prevention of pollution
2. Sustainable use of resources
3. Climate change mitigation and adaptation
4. Protection of the environment, biodiversity and restoration of natural habitats

In addition, your business must respect and promote a number of environmental principles, such as: 'precautionary approach, 'creating a policy of managing environmental risks' and 'the polluter pays'.

Subsequently, your environmental performance can be significantly influenced by making decisions about certain environmental approaches. Here it appears that sustainable performance starts at the drawing board. Designers play an important role. Some important approaches are:

- Life cycle approach (also: LCA):
  - This considers the environmental impact of the entire life cycle of a product or service. From the extraction of the required raw materials, transportation, production, consumption, to disposal. This approach is sometimes oriented as such that the environmental impact is 'less bad'. Environmental damage still remains.
  - It is also possible to close a life cycle without any environmental damage. For example, using the Cradle to Cradle approach where 'waste equals food'. Here, all waste is recycled into a biological or technical cycle, allowing us to use resources infinitely: the so-called circular economy. Obviously, NOT consuming or consuming less is better in many cases. With Cradle to Cradle, it is even possible to have a positive impact on people, the environment and society.

- Product Service Approach
  - Here, the product is subordinated to the functional needs. The ownership of a product remains with the manufacturer. As a consumer, you are sold a service. You pay for the use of the product, enjoying its functionality. The manufacturer remains the owner of the materials. This stimulates a more careful approach to resources and waste. It makes recycling more profitable.

##### Example:

If you only need a car occasionally, then having one of your own might be redundant. A car sharing service might then be more suitable for you. Or for example a phone or television: The manufacturer ensures bi-annual replacement and recycling. As a consumer, you only pay for the usage.

Finally, an environmental management system like ISO 14001 can further help you structurally address environmental issues and embed them into your management and operation.



# tips

- Prevention of environmental pollution: This includes pollution of soil, air, ground- and surface water and cosmos. In addition, there are other types of pollution such as odour, vibration, radiation and infections.
  - Avoid waste and follow the hierarchy of waste reduction: less use, re-use, recycling and reprocessing, waste treatment and waste disposal.
  - Identify and use environmentally friendly alternatives: for example water-based paint and adhesives, biodegradable packaging and organic fertilizers. Limit or avoid the use of fossil fuels, toxic chemicals, pesticides, antibiotics, genetically modified food, packaging and so on.
- Sustainable use of resources: Avoid depletion of resources by minimizing their use. But also by reusing resources and recycling materials.
  - Work on energy savings using automatic switch-off when absent, aquifer thermal energy storage, insulation and innovations such as LED lighting and nano-technology.
  - Promote renewable energy sources such as solar energy, geothermal energy, hydroelectric energy and wind power ('green electricity'). Promote the use of biogas made out of organic waste.
  - Promote the use of bio-based materials and other resources that can be recycled infinitely without high energy input.
- Prevent and adapt to climate change: The emission of greenhouse gases such as carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O) by human activity is one of the main causes of global climate change.
  - Determine your CO<sub>2</sub> footprint and promote reduction through less or more efficient transport, electric or hybrid cars, building insulation, use of green electricity instead of fossil fuels. Finally, compensate your CO<sub>2</sub> emissions at the official bodies in your country.
- Protect the environment, natural habitats and biodiversity: Ecosystems contribute to our quality of life by providing oxygen, food, water, recreation and absorbing pollution. The biodiversity of trees, plants and animals (flora and fauna) is often threatened and destroyed by human activity. This can lead to disturbances in natural balances.
  - Protect ecosystems and natural habitats. Be careful with historical heritage. Utilize sustainable practices when processing agricultural land. Promote environmentally sound urban and rural development.
  - Respect animal welfare. Prevent the extinction of species and mistreatment by industry. Apply sustainable fishery and use fish-friendly water pumps.

## 5. Fair operating practices

Fair operating practices are about ethical conduct in the cooperation of your company with business relations, such as suppliers, customers, sector associations, competitors and government agencies. In addition, it concerns the way you use your influence to promote sustainable performance. Showing leadership and stimulating social responsibility in the sphere of influence of your company can achieve positive results. Fair operating practices include topics such as anti-corruption, fair competition and respect for property rights. It also indicates that interference in politics should take place in a responsible way, without manipulation, intimidation or threat.

Furthermore, it explains that SR ought to be promoted as much as possible in the procurement process. This also applies to other stakeholders of the value chain like customers, business partners, consumers and government. It is indicated that this is possible by sharing costs and benefits in the value chain and to provide support to increase consciousness, possibly through training.



- Preventing and combatting corruption:
  - Corruption can take many forms, such as bribery, fraud, embezzlement of money and goods, money laundering, obstruction of justice and abuse of power.
  - Ensure clear rules of conduct for employees, lead by example, ensure social and procedural control, provide a whistle blower scheme, tackle bad behaviour. Agree upon rules of conduct with your business relations and where necessary, contractually sign them.
- Promoting sustainability in the value chain:

Promote sustainable procurement to your suppliers, stimulate the purchase of sustainable products to your customers and promote sustainability in the collaboration with your business partners.

  - Agree upon sustainable criteria with your suppliers, and also ask your suppliers to influence their own suppliers. Offer a range of sustainable options to your customers, let your customers choose and experience. Appreciate sustainable improvements at your suppliers and business partners.

## 6. Consumer issues

When offering products and services to your customers and consumers, your business has a social responsibility. This responsibility includes, among others, fair marketing, offering information, and protecting the health and safety of your customers and consumers. This core subject also covers the promotion of sustainable consumption, customer/consumer service, dispute resolution and the protection of consumer data and their privacy. A variety of issues within this core subject is related to quality management according to ISO 9001 and the ISO guidelines to customer satisfaction.



Fair marketing and sustainable consumption:

- Customers and consumers must receive clear and honest information about your products and services, such that the sustainable aspects of your products are visible and the customer can base their purchasing decision on this. How the product or service has been established is also relevant information. However, it should also include the possible negative effects of the product or service to the value chain (such as environmental degradation, inefficient use of water/energy, unsafe or unhealthy working conditions or unfair wages).
  - Do not provide information that is misleading, inaccurate or unclear. Do not exclude important information. Allow customers to compare your product or service to other products or services. Do not unfoundedly focus your marketing campaigns on vulnerable groups such as children or the elderly.
  - Provide clarity about the conditions, warranties and price, including any additional costs (operation, maintenance and service). Base (sustainable) claims about your product or service with underlying facts or information. This topic is also about fair and clear contracts without fine print.

Service to customers and consumers:

- Products and services that do not function properly, either through defects, malfunctions or as a result of improper use, may affect consumer rights, as well as lead to a waste of money, resources and time.
  - Make sure that the composition of your product or service may be traced. Provide realistic maintenance and repair options to prolong the product's lifespan.

to continue >>



# tips

- Provide good customer service and complaint procedures. Offer the possibility for exchange or refunds with (severe) complaints. Provide a mechanism to retrieve a 'bad' product or service from the market. Offer a warranty that matches the lifespan of the product. Provide a fair procedure for resolving disputes.
- Protect the health, safety and privacy of clients and consumers: Your products and services must be safe and healthy for your customers and consumers. Thereby it is also important to anticipate possible risks of harm or danger through use or misuse of your products and services. The privacy concern of your customers and consumers increases due to the use of information systems.
  - Minimize the risks of your product or service right from the design process by properly analyzing who will be using the product or service and under what circumstances. But also by creating an estimation of the dangers per user group, the various stages of use, and the circumstances under which it is used.
  - Provide a system that can register origin and purchase of risk products (such as medicines, food and electronics). Provide a mechanism to retrieve an unhealthy or unsafe product from the market.
  - Only collect personal information if the customer or consumer knows about it and has given explicit permission. Do not use the data for purposes other than agreed. Provide customers and consumers with the possibility to see what information you keep about them.



## 7. Community involvement and development

The objective of this core SR subject is to ensure that local communities benefit from businesses operating in their area. This core subject also establishes a relationship with the Sustainable Development Goals of the United Nations.

Your company is part of the communities in which you are active. Your involvement in these communities contributes to a strong society, quality of life and development of the community. Companies can contribute to the community by creating jobs, doing social investments, offering learning/working schemes and volunteering opportunities, and contributing to culture preservation.

- Focus on your core business: Link social contribution to your core business as much as possible. Make use of your specific expertise and your own products and services.
  - Example: A garden centre that wants to help refurbish a disadvantaged neighbourhood is best off helping with planting. Do not, for example, go painting or paving. Leave that to painting and paving companies. Do something you are good at.
  - Example: A financial advisory firm that wants to do something for the community can, for example, assist community organizations or sports clubs with financial advice. Volunteering and painting a school is not wrong, but preferably use your own qualities. This also offers opportunities to promote your business.

# tips

- Creation of employment opportunities and training: This issue is also about the development of technology and skills, and guiding people to suitable employment.
  - Provide skill development for the people in your community. For example, take part in apprenticeships by becoming a training company or develop such a scheme yourself. Pay attention to people with a disadvantage towards the labour market. Consider working with a social work organization. Offer internships and supervise students.
  - Promote local employment by giving local candidates a fair chance. Preferably contract local suppliers and encourage their development. Consider the effect on employment when automating your processes. Make an assessment of the implications for (local) employment when outsourcing activities.
  - Develop innovative technology that helps solve social or environmental problems in local communities. Work with local research institutions and involve the community in technological development.
- Education and culture:
  - Share your knowledge about sustainability challenges and solutions. Provide education in schools. Hold an open day at your company. Offer tours.
  - Promote cultural activities. Help preserve and protect cultural heritage, especially if your business has an impact on it. Respect traditional knowledge and crafts.





# Key drivers

Motives to get started with sustainability are plentiful. The following classification helps give those motives a place: It is expected, it is required, it pays off and...it feels good.

## It is expected

A common view is that entrepreneurs are only driven by profit, either within or outside the rules. Bankers with big bonuses profit from unsustainable investments, oil companies disregard the habitats of thousands of people in poor countries and traders provide the ingredients of chemical weapons to dictators. But the majority of entrepreneurs, especially SMEs, are actually often very involved with their employees, the local community and the future of their own children. Many entrepreneurs support local activities, charities or are themselves involved in projects in developing countries in the context of socially involved entrepreneurship.

## It is required

Sustainable choices are often enforced by the government. Even where countries have a tradition of encouraging self-regulation, the government may still have a big stick. It is apparent in construction, where the demands for energy efficiency of buildings are becoming stricter. But the government also has great influence as a customer. If you would like your SME company to retain the government as

a customer, you will have to meet sustainability criteria. The result is that many companies, in turn, demand their suppliers to be sustainable too.

Consumers are also becoming more aware and, together with civil society organizations, they continually demand more of companies and their products and services. Naturally, price and quality remain important, but sustainability is becoming an important criterion too. Companies should therefore provide insight into the impacts of their operation and their products and services. Employees also find sustainability increasingly important. As in the past a permanent contract, good salary and a lease car were the most important, nowadays the company's SR policies and meaningful work have become more and more important.

*'In five years, sustainability  
will be the norm.*

*Then, everyone will be practicing it.*

*You only have an advantage  
if you are ahead.*

*So, start as soon as possible!'*

Luitzen Overwijk, Director,  
Overwijk Coffee Systems

The social policy of the company has now become an important factor. But it is not only the market and employees that require durability. Equally important are the increasing scarcity of raw materials and energy, and the rising operating costs that accompany them. For those who do not promptly start looking for alternatives, options will become more limited, costs will rise and profits will be increasingly under pressure.

## It pays off

Sustainability is often associated with 'expensive'. That is because it's often seen as 'an addition' or a 'sustainability dressing'. But that is not how it works. A developer who works on a conventional building that is not energy efficient could add a lot of solar panels to the roof. In that case it is indeed an addition - something that can substantially increase the building costs. But if sustainability is considered from the very first stage of the decision-making process and the design, investment costs (and certainly management costs) often turn out to be lower than for a conventional building. Through an optimal alignment of building structure, facilities, materials and many other factors, all advantages are optimally exploited. This is also called integrated design. By observing your business process and products through a sustainability lens, you can distinguish yourself and achieve a competitive advantage. Sustainability does have to become an integral part of the business and has to have strong support throughout the entire organization. Sustainability is no more expensive than 'old fashioned' entrepreneurship, especially in the long run.

## Research

The Harvard Business School  
(May, 2012, <http://www.hbs.edu/research/pdf/12-035.pdf>)  
examined 180 companies:

- 90 sustainable 'frontrunners' that have practiced sustainability since the early 90s.
- 90 companies that have only recently started with sustainability.

The frontrunners performed significantly better than the laggards, both on the stock exchange and in financial performance.

More specifically, the frontrunners:

- Performed 4.8% higher on the stock exchange.
- Showed less fluctuations and are more stable.
- Achieved a better return on their assets.

## It feels good

Despite the big sticks (it is required), sustainability remains connected to the dedication and commitment of the entrepreneur. As an entrepreneur, you make your own choices. By investing in sustainability and also involving your employees, customers, suppliers and other parties, more insight, enthusiasm and goodwill arises. That gives you energy and a good feeling! There are very few entrepreneurs who, once started with sustainability, stop doing it.



# 4 How do I tackle it?

Most entrepreneurs have already somehow ventured into the field of SR, often without realising. Many family businesses already have a strong connection to social responsibility. Yet, entrepreneurs hesitate to tackle it in a properly structured way. The argument is often based on a lack of time and/or money, or not knowing where to begin.

## A sustainable journey

SR is no destination, it is a process. It is a process of learning and growth, not just for you as an entrepreneur but also for your customers, suppliers, partners, the government and your surroundings. This handbook offers a clear step by step guide to help you embark on a successful and pleasant sustainable journey. Experience shows that SME-entrepreneurs are capable of adapting quickly, which is a huge advantage in our rapidly changing society. The companies in this book demonstrate this: Get started using these clear steps and results will prove to be unexpectedly pleasant. Show courage: Doing nothing is not an option.

## A useful step by step plan

This plan of action is based on the new, world-wide guidance for social responsibility of organizations: ISO 26000.

For you, this means:

- An integrated approach, with attention for principles, stakeholders, subjects and process.
- A complete plan of action, covering all relevant SR core subjects and issues.
- Future continuity due to the global support.

The global guidance provides a solid framework. An additional important advantage is that everyone now shares a common vocabulary concerning SR. This greatly improves efficiency when increasing a value chains' sustainability.

## The plan of action consists of the following seven steps:

1. Recognize SR
2. Determine SR values and direction
3. Identify and involve stakeholders
4. Determine SR priorities and icons
5. Integrate SR into core business
6. Communicate with stakeholders
7. Exercise influence and collaborate



1. Watch your position
2. Choose your destination
3. Choose your companions
4. Map out your route
5. Improve your journey's sustainability
6. Let people know where you are
7. Collaborate with your companions



# step 1

## Recognising SR

### Watch your position

When you browse the Internet using the keywords 'CSR' and 'sustainability', you'll find countless definitions and concepts. This makes it difficult for the entrepreneur. It's a sustainable forest, no, jungle that makes you unable to see the wood for the trees.

Hans Kröder points out:

You can fully rely on the contents of this handbook, which is based upon a guideline that has been established thanks to the co-operation of experts throughout the world.

In your first step, the following is of importance:

- Understanding SR (ISO 26000 'lenses': focus on ethics, stakeholders, substance and process).
- Awareness of your position in the value chain and society.

### Understanding SR

Understanding SR has been made very simple for all organizations and people in the world. All you need to do is learn how to peer through the 'ISO 26000 lenses'. These 'lenses' symbolize four points of view:

1. Focus on ethics: Seven norms and values for SR (the seven principles of SR).
2. Focus on stakeholders: Your value chain and sphere of influence.
3. Focus on substance: Seven SR core subjects.
4. Focus on process: Seven steps in this handbook.

- **Ethics:** The seven SR principles form an ethical umbrella for proper management (or: good governance) of every organization. They indicate WHY behaviour is so important in social responsibility. In step 2 (Determine SR values and direction), the principles are explained.  
For example: Being accountable and transparent, respecting stakeholder interests and human rights.
- **Stakeholders:** identify your stakeholders inside and outside your value chain. Seek dialogue with your stakeholders about your and their interests (see step 3). This gives insight into WHO is involved in social responsibility activities and affected by your decisions.
- **Substance:** The seven SR core subjects contain all issues that can be used by organizations to contribute to sustainable development. They indicate WHAT social responsibility is.  
For example: good working conditions, fair operating practices, customer- and consumer interests and environment.
- **Process:** Process is focussed on the application of SR into core business and daily practice. The seven steps of this plan indicate HOW to integrate SR into your business management.  
For example: Determine your SR priorities, communicate with your stakeholders and exercise influence.

### Be aware of your position in the value chain and society

Your SME-company finds itself in a link in a value chain. Production, trade, transport, service: Whichever sector, it doesn't matter. In that value chain, there are multiple links and multiple entities, some of which being stakeholders such as customers, consumers, distributors, partners, competitors, shareholders and trade organizations. You can also find stakeholders outside that value chain, for example government, citizens, those living nearby, NGOs and the media.

Jaap de Vries adds:

'By being aware of your companies' position in the value chain, it is possible to recognize your social responsibility. We live in a time in which we need to more effectively focus on society and our environment.' See also: 'Step 7: Exercise influence and collaborate'



*The good news is:  
You can stop googling for definitions  
of CSR and sustainability.'*

Hans Kröder

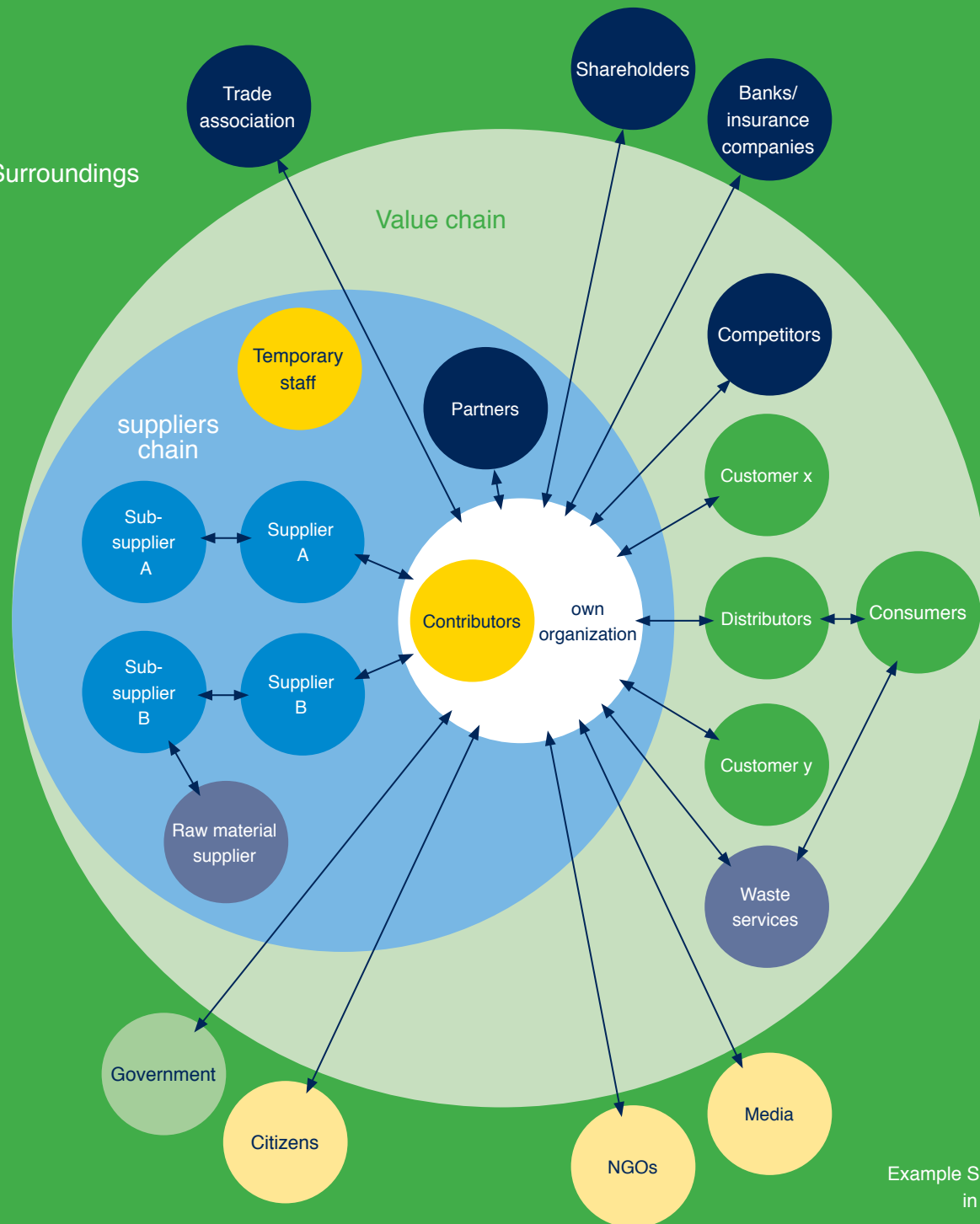


*'Society is becoming  
more and more serious about  
its demands and expectations in  
regards to the impacts of our business  
on people, environment and economy.'*

Jaap de Vries



Surroundings



Example SME Company  
in a value chain



## step 2

Determine SR values and direction

Choose your destination

Determining the values and direction of your SR aspirations is an extremely important step. This shapes the 'social face' of your business, as well as adds a personal touch. The second step unfolds as following:

- Formulate your vision on social responsibility: 'How do we view the world?'
- Determine your values: 'what is our business culture?'
- Define a direction (mission and/or policy): 'What would we like to contribute to the world?'

Formulate your vision on corporate social responsibility.

Vision is about 'how do we view the world?'. This is often unwritten, and instead stuck in the minds of the leadership. The entrepreneurs of this book show how valuable it is to consider this and to involve staff as well. Give yourself a moment to exchange ideas with your staff. Check to what extent the vision of your business is aimed at a sustainable world, with attention to both economic sustainability as well as social and ecological sustainability. Allow yourself to be inspired by each other's views on the world. You will find that this releases renewed energy, which will help convert your vision into sustainable actions.

*'Engaging in conversation  
with staff about a sustainable  
world has released much energy  
among our people.'*

Marjolein Vaders, Lavital,  
Operational manager.



Determine your values

The values of small businesses aren't always explicitly clear. They are often established through a set of unwritten rules for social behaviour. Employees instinctively know to what degree the company values its customer- and employee relations, as well as how much its environmental impacts are considered. Yet, it is important to clearly agree upon these values. This has become clear in the international SR directive, ISO 26000. The seven SR principles together form an ethical umbrella for every organization: business companies, but also governments, trade unions, consumer organizations and civil organizations. The seven SR principles cover the behavioural aspects of the manager/owner, the employees and ... the organization. Together, they contribute to the face of the business. Consequently, by applying SR principles, the business will appear more socially responsible.

Of course, every business can add a personal touch by accentuating topics like quality awareness, customer orientation, innovation or co-operation. This leads to a unique business culture with its own face and appearance.

The seven SR principles of importance to good governance:

- 1. Accountability
- 2. Transparency
- 3. Ethical behaviour
- 4. Respect for stakeholder interests
- 5. Respect for the rule of law
- 6. Respect for international norms of behaviour
- 7. Respect for human rights.

*'Social responsibility values provide involvement and pride among your employees.'*

Dorathé van Doorn,  
CEO PrintRun



*'By revising of our vision and mission from an ISO 26000 perspective, the pieces fell into place.'*

Eberhard Dijkhuis, CEO,  
Dijkhuis Construction company.

Define a direction (mission/policy)

'Mission' is about 'what is the purpose of our company?'. Similar to vision, the mission mostly exists in the heads of the leadership and is unwritten. Likewise, consider how the company seeks to contribute to humanity, the environment and the economy. In addition, or instead of the mission, it is necessary to formulate concrete goals (i.e. a set of SR policies). Formulate your policy simply and clearly. Even just one sheet of paper can offer plenty of guidance in reaching SR accomplishments.

You can include stakeholders in your business policy, such as customers, suppliers, employees and partners, as well as specific SR issues which your company seeks to contribute to. Consider examples such as sustainable use of resources, avoid suppliers that use child labour, trade fairly with subcontractors or employ staff from social work schemes.

See also: Step 4 (Determine SR priorities and icons), as high priority SR issues can be benchmarks for your SR policy.

Several companies choose for a separate SR mission and/or a separate SR policy. This is possible, but not a necessity. It is even better to integrate your SR direction into your standard mission and policymaking. Yet, many entrepreneurs find it pleasant to have separate documents describing the business' SR policy, as it can help communicating with customers, suppliers, employees and government.



# step 3

## Identify and involve stakeholders

### Choose your companions

An SME company is inseparably connected to its environment. As an entrepreneur, you ought to be aware of the effects of your decisions and activities on others. Parties or individuals that are positively or negatively influenced by your decisions and activities, have an interest in your actions. They are therefore called 'stakeholders'.

This third step aims to:

- ☐ Identify stakeholders
- ☐ Involve stakeholders

#### Identifying stakeholders

Firstly, you need to determine which organizations/parties or individuals are stakeholders. Naturally, employees, customers and suppliers are stakeholders. In order to identify all stakeholders, ask yourself these questions:

- ☐ Towards which entities, such as governments or trade associations, does the company have legal obligations?
- ☐ Which parties in the value chain are connected via sales, distribution, consumption or usage?
- ☐ Which parties in the value chain are connected via purchasing, transport or production?
- ☐ Which other suppliers are used?
- ☐ Which financial, insurance and consultancy services do I use?
- ☐ Which competitor or peer organizations do I wish to compare with?
- ☐ What effects does the company have on its surroundings, such as local residents, partner companies, citizens.
- ☐ What effects do we have on nature, animals and the environment (and which social organizations - NGOs - look after those interests)?

Often, the number of stakeholders is greater than you think. See the example on the opposite page.





## Involving stakeholders

Stakeholders have expectations of the behaviour and results of your company. You can influence them, but the opposite is also true. Think about, for example, rogue suppliers, pressure from local governments or a consumer boycott. Involving stakeholders is an important aspect of sustainability. A company needs its stakeholders to determine what effects they experience, what they expect from the organization and what it should pay attention to.

Ask your stakeholders, among others, the following questions:

- ☐ What effect do our products, services, activities and decisions have on you?
- ☐ How can we reduce our negative effects?
- ☐ How can we increase our positive effects?

Understand that stakeholders may have conflicting interests.

Example: Vaessen (Building and design of sustainable sporting facilities), QHSE Manager Geert Stevens indicates:

- ☐ An alderman might only consider his own short term of office when considering the effects of sustainable investments.
- ☐ The administrator on the other hand might consider the long-term benefits of the investments.

The media require special attention. Your decisions and activities won't usually spark their interest. Yet, media can have a lot of influence on the corporate image of your company. Increasingly, the media express their opinion on (ir)responsible behaviour. Moreover, non-governmental organizations regularly seek publicity to express their opinion on social and ecological accomplishments and defaults. Through adequate SR practices, you can receive positive reviews and strengthen your corporate image.

There is a variety of ways to involve your employees. For example:

- ☐ Spend an evening with your employees brainstorming about sustainable interests and ideas.
- ☐ Send enthusiastic employees to sustainability briefings.
- ☐ Establish an SR team to implement the step by step plan in this book.
- ☐ Let an employee find out examples of successful SR practices of competitors.
- ☐ Give those interested the chance to obtain more knowledge about SR.
- ☐ Assign someone to act as an oracle for the others.



## step 4

### Determine SR priorities and icons

#### Map out your route

Determining your SR priorities can be challenging. But it is extremely important and useful, because it helps you focus on what is really important for your organization. It reassures you that 'you are doing the right thing'.

In this fourth step, you:

- ☐ Determine the relevant SR issues.
- ☐ Look at the impacts.
- ☐ Determine SR priorities for action.
- ☐ Choose SR icons.

#### Determine the relevant SR issues

The seven core SR subjects from chapter two provide a framework for determining which SR issues are important for your company. Questions you can ask include:

- ☐ Is the issue related to my core activities?
  - **Example clothes store:** poor labour conditions at an important cotton supplier.
- ☐ Do laws and regulations related to this issue apply to our business?
  - **Example plastic recycling business:** environmental legislation concerning the interception of particulate matter from the crushing process.
- ☐ Are there stakeholders that add the topic to my agenda?
  - **Example transport company:** residents who feel unsafe as a result of reckless driving.

Based on these questions, you determine whether the issue is relevant.

#### Look at the impacts

Subsequently, look at whether the relevant issues have positive or negative impacts on stakeholders, people, the environment and the economy. Questions you can ask, by issue, include:

- ☐ What is the magnitude of the positive and negative impacts?
  - **Example carpenter:** Chemical vapours of certain adhesives can influence the health of employees and residents.
- ☐ Are there high expectations from society regarding the issue?
  - **Example fishmonger:** fish caught must be sustainable and have the Marine Stewardship Council (MSC) label.
- ☐ What happens if you do nothing to prevent the negative impact?
  - **Example chocolate company:** chocolate produced by slave labour at cacao plantations can lead to consumer boycotts.

The more significant the impact is, the higher the priority to address this issue.



*'By talking to customers and suppliers about their interest on sustainable issues, a more mutual understanding arises.'*

Heidi Rijpkema,  
Controller SOLIS (Water purification)

Determine SR priorities for action

Relevant issues with significant impact can be prioritized. Carefully look at the 'priority for action' required.

- **Example:** if the number of complaints from local residents regarding foul odours is reduced to a minimum through improved extraction, for the time being, no priority for action is necessary.

Also look at the desired performance level for the SR issue

- **Example:** if the company aims to receive a maximum of three complaints a year, and there are three per month, there is still work to be done.

In 'get started' in step 5, the priority for action is strongly linked to the extent to which the organization has not yet reached its desired performance level. It is a good idea to set specific goals for SR issues with priority for action. Start thinking about how you want to 'measure' performance. Are there any indicators from the industry associations, or is contact with stakeholders necessary? Take a serious look at sustainable opportunities and innovation. Involve your employees in this, and perhaps stakeholders from outside the company, which can bring in ideas with a fresh perspective.

*'By choosing the desired performance level, distinctiveness arises. An entrepreneur may decide to perform better than a competitor.'*

Jaap de Vries



**Example:**  
**Financial Advisor AFAC**

- Front yard: understandable and clear insurance policy conditions and quotations.
- SR icon: solar panel insurance with pay out as a result of production losses caused by storm.
- Back yard: proper administration.



*'The front yard and SR icons give employees a guide to tell others what your organization stands for when it comes to sustainability.'*

Hans Kröder

Choose SR icons

When your priorities are chosen, ask yourself two questions:

- How do I make my priorities visible to my stakeholders?
- Should everything the organization does be made public?

To answer these questions, the following approach is very useful: Design a front- and back yard, and determine your SR icons.

In the 'front yard' of the company are those SR issues that make the organization distinctive and special. These are the 'nines' and 'tens' of the company. Often, these are no more than a handful of issues.

The 'back yard' is fuller. It is filled with all other SR issues that you (should) address, but not necessarily to perfection. A six out of ten is probably sufficient.

Then, select your SR icons: These are distinctive SR activities, products and services that make your SR message very clear.

What is the importance of an SR icon? Icons function as a framework for the SR story of your company. They show employees and stakeholders in what way the organization stands out when it comes to social responsibility. They illustrate the best the organization has to offer. Moreover, an icon makes SR concrete and tangible.



# step 5

## Integrate SR into core business

### Improve your journey's sustainability

This is the most important step for social responsibility to be successful. True social responsibility means making the core activities, products and services as sustainable as possible.

This fifth step challenges you:

- Get started

This is a learn- and growth process, not only for your own company, but also for your customers, suppliers, partners and other stakeholders. It is a step that will actually never finish.

#### Get started

After you have determined your SR priorities, you can develop and implement actions. The SMEs in this handbook confirm the importance of getting started, simply through 'learning by doing'.

Tips:

- Start with one or more recognizable products or services.  
Example bakery: Breads made with 100% organic ingredients, without genetically modified raw materials.
  - Just try, gain experience, ask customers, consumers and suppliers for their opinion, work in phases.

- Offer more and less sustainable options.  
Example hairdresser: hair colours with 100%, 50% or without plant-based hair dye.
  - Give customers and suppliers the opportunity to choose and adjust. Ask suppliers to provide multiple options. Do not dictate, but encourage.
- Approach the integration of social responsibility as a learning and growing process.  
Example printing company: Discuss with your ink supplier possible options for switching step by step to water-based printing.
  - Give yourself a healthy ambition, but do not stress. Sustainable business means learning and growing, to enjoy it and to do it together, to encourage each other.
- Take SR to the workplace and reward employees.  
Example butcher: discuss lighting, cooling and energy of the showcases versus convenience for employees and clients. Try alternatives and ask employees and consumers for their opinion.
  - Make sustainability a set item on staff meetings and take time to discuss ideas. Give employees room to try out new ideas, do a pilot... and reward employees for good results!

- Show your SR accomplishments.  
Example garage: show your customers that you use recycled parts, because it is cheaper and good for the environment.
  - Make your achievements visible. This increases your credibility. Numbers tell the tale: use performance indicators.
- Learn from others.  
Example hotel: a competitor has furnished a number of 'green rooms' with just a 5% higher price tag than usual, and they are popular.
  - Look at how other entrepreneurs run their businesses. Ask the trade association for information and examples. Visit briefings on sustainability.
- Adapt.  
Example home care: if elderly people have difficulty dealing with the technical features for self-care, opt for traditional care.
  - Improve by listening to clients and medical employees. Keep track of your results and keep an eye out for new developments.
- Determine which SR initiatives your organization wants to participate in.  
Example legal consultancy: offering knowledge about available subsidies to social organizations.
  - Choose especially those initiatives that have a clear link with your core activities and competencies. Apply these to sponsorships and volunteering. Contribute to what you are good at!
- Make use of interns.  
Example installation business: an intern explores the potential for energy savings with solar boilers, thermal energy storage, combined with low temperature heating.
  - Use young people with a passion for sustainability and make use of the low costs and their fresh perspective.

SMEs can be  
very creative in sustaining  
their business

Michaël van Straalen,  
President SME Netherlands (MKB Nederland)







*'Consider sustainability  
as a continuous process  
of learning and growth.'*

Hans Kröder

## Numbers tell the tale

Making your SR performance demonstrable can be done in several ways:

- Make use of industry-specific performance indicators.
  - **Example metalworking business:** use an SR monitor of your metal union.
- Use issue-specific performance indicators.
  - **Example transport business:** use a widely accepted carbon footprint calculator.
- Make use of international performance indicators.
  - **Example of a bigger SME company:** Measure and report according to GRI indicators.
- Ask stakeholders for their opinion.
  - **Example car rental:** ask a client that has recently rented an electric car about his experiences with the availability of e-chargers and charging times.

Finally:

- Use your knowledge and common sense.
  - For example, keep a logbook. Note down odd results and take samples.



## step 6

### Communicate to stakeholders

### Let people know where you are

'We just do it' and 'we don't brag about it.' Some participants in this guide did not initially want to go public about what they do in terms of sustainability. Of course, modesty is a virtue, but it can also work to your disadvantage. More and more customers, consumers and other stakeholders 'shop around' before engaging in business. If there isn't anything about sustainability on your website, or nothing indicates the presence of sustainable policies in your company, this gives the impression that no attention is paid to sustainability. Conversely, good and honest information generates extra trust. Step 6 teaches you how to communicate with stakeholders.

Some people like to get on their high horses and tell everyone how good, social, green or sustainable they are, even though they disappoint in reality. This is called 'greenwashing.' This poses a far greater risk than communicating too little, because it can severely damage your image and the trust that customers and other stakeholders have in your organization. Subsequently, recovery from damage to reputation or a breach of trust is difficult.

Be honest and transparent about your SR performances. Tell what you do and what you are going to do (even) better. Ask for opinions and advice and take advantage of the information you get from your stakeholders.

The sixth step about communication includes:

- Be transparent and honest - and dare to be open about dilemmas.
- Make your accomplishment visible - and explain what you will do.
- Tune in to your target audience - and let others talk about you.
- Be creative in your communication - and show courage.
- Make use of your distinctive ability - and use 'front yard' and SR icons.

*The motto is:*

*Do not say how good you are,  
but be very clear about your  
accomplishments.*

Mireille de Steur,  
CSR Coordinator Plastic Company



## Be transparent and honest - and dare to be open about dilemmas

Transparency is increasingly important. Naturally, entrepreneurs enjoy talking about successes. Things that do not go as well, are kept silent. Taking into account many stakeholders is not always easy: you regularly encounter conflicting interests. Be as open as possible about sustainable dilemmas. Openness and honesty go a long way.

### Tips:

- Be transparent and honest.  
**Example pig farm:** be transparent about the origin of (organic) food, use of antibiotics, ammonia emissions, amount of pigs per square meter and free range.
  - Provide an understandable overview. Be complete: do not keep important facts behind. Be honest: do not hide behind vague excuses but also indicate what isn't going well yet. Be accessible: ensure questions are dealt with properly.
- Dare to be open about dilemmas.  
**Example pig farm:** organizing organic manure cycles with local farmers is not always possible because they are not always able to use pig manure.
  - Tell stakeholders about your dilemmas. Clearly indicate your point of view, what you have done and will do. Communication is always better than no communication. Asking for understanding is allowed!

## Make your accomplishments visible - and explain what you will do

The time for sweet talk about social responsibility is over. It is about being able to show and prove what you are doing. Society demands for evidence.

Because you have determined what your SR priorities are, you can focus on essentials instead of side issues. This makes your communication more interesting. And because you measure your SR performance as much as possible, you can come up with hard numbers. This makes your communication credible, even though you may not be content with your results yet. Accountability provides insight and credibility is very important because it offers confidence and it is good for your image.

### Tips:

- Make your accomplishments visible.  
**Example fruit grower:** specify what types and amounts of fertilizer and pesticides are used per fruit type.
  - Make sure you show concrete results. Keep track to measure progress. Compare with peers or industry averages. Also dare to mention underperformance.
- Explain what you are going to do next.  
**Example fruit grower:** reduce the use of pesticides next year by 25% by introducing natural enemies of apple and pear diseases.
  - Talk about concrete actions and avoid vague promises. Provide a timetable: if an activity requires a lot of time and effort, it is no problem to talk about it. Ask what people think about it.

*'It is more powerful if  
my customer or supplier conveys  
how we are engaged in sustainability.'*

Christian Brouwers,  
Director Satellite furniture

## Tune in to your target audience - and let others talk about you

Not all information is important to everyone. What do you want to communicate to whom and when? Two-way communication is quite useful, but not always necessary. Sometimes it is sufficient if the information is retrievable, eg by telephone, mail or e-mail, or findable via website or customer service. Ask stakeholders yourself about how they think you deal with sustainable aspects that are of interest to them.

### Tips:

- Tune into your target audience.  
**Example shoe store:** talk to a supplier to make sure 20% of your range is made of chrome-free leather, recycled rubber, latex and water-based adhesive. Talk to a customer about his interest for a shoe made from recycled materials and willingness to return old shoes for recycling.
  - Think about: What SR issues are important for whom? Which kind of communication do I choose for which stakeholder? Who within the company will communicate this and with what frequency? You can make a simple communication plan, for example.
- Let others talk about you.  
**Example shoe store:** Let the supplier provide information about how you work together towards sustainably made shoes. Use this information when explaining to your customers.
  - Do not keep talking about how well the company operates sustainably, but let stakeholders say it too. This is much more credible and powerful. Inspire others to give their opinion.

## Be creative in your communication - and show courage

Communicating about social responsibility is possible in many ways. Eye-to-eye communication remains very strong. Your website is your face to the outside world, but personal newsletters, social media and SR networks too offer opportunities to profile yourself. Social responsibility reporting requires more effort. The self-declaration of NEN ISO 26000 can help with this. Ensure that your communication stays up to date.

### Tips:

- Be creative in your communication.  
**Example courier company:** green cars on green gas, drivers with green overalls and slogans such as 'for you, we step on the green gas' or 'your CO<sub>2</sub> neutral delivery'.
  - Consider options such as: Tours, roundtable discussions, presentations, workshops, customer panels, supplier days, neighbourhood visits, personal newsletters, website and social media.
- Show courage.  
**Example courier company:** Dare to hire people with disabilities.
  - Don't be afraid of lousy reactions. Dare to be one of the first. Dare to show that things can and should be different. Dare to try!

## Make use of your distinctive ability - and use 'front yard' and SR icons

Extract economic value from whatever you are doing to distinguish yourself in sustainability. Use your distinctive ability by cleverly communicating it. Use the SR issues from your 'front yard' and in particular, the SR icons. Ensure that sustainability is also economically viable.

### Tips

- Make use of your distinctive ability.  
**Example job agency:** Provide a free interview training for jobseekers every week. As long as one additional worker finds a job every month, you will see a profit on the training.
  - Capitalize your distinctive ability. Create commercial opportunities. Look at 'low hanging fruits' but also at the revenue in the long term. Calculate the benefits for your business and stakeholders.
- Use 'front yard' and SR icons.  
**Example job agency:** 'front yard': weekly contact with each temporary worker and bi-weekly with each candidate, clear contracts and fast pay out, digital and paperless communication, CO<sub>2</sub>-compensation of workers' travel miles. SR icons: free weekly job training for candidates and communication training for temporary workers for a low price.
  - Show the best you have to offer on social responsibility. Make it concrete and tangible. Focus on the key issues that affect the stakeholder. Ensure that all employees propagate this.



# step 7

## Exercise influence and collaborate

### Collaborate with your companions

Being open to your environment isn't businesses as usual for every entrepreneur. Sometimes you are so focussed on your own work, that the environment does not seem important. In the current economic situation, many entrepreneurs also need all of their attention for themselves. This can be a dilemma, because social responsibility requires attention to your surroundings. You are expected to exert a positive influence on your environment. Entrepreneurs who do this are more likely to enjoy lasting success.

This seventh step invites you to:

- Research opportunities and risks in the value chain.
- Make use of the knowledge and experience of others.
- Combine forces and work together.

#### Research opportunities and risks in the value chain

Naturally, every entrepreneur is responsible for his or her own activities and decisions. It can happen, however, that other organizations in the value chain do not act according to their social responsibilities. For example, by poor working conditions, child labour, lack of freedom of association and collective bargaining, environmental pollution, corruption or incorrect product information. And if these are closely related to your most important products, commodities or services, this can affect your business and brand image. Society increasingly speaks out about this and asks 'whether you already knew this' and 'what you are going to do about this'. So, research sustainability risks and opportunities at links in your value chain, forward and backward.



*'I notice that as a bakery,  
we can exert far more influence  
on food and health than we thought.'*

Frank van Eerd, Owner and founder of  
Bishop Mill (Bisschopsmolen Maastricht)



*'Working together on sustainable  
solutions is a continuing story.'*

Tom Haagmans, Vaessen,  
Director Vaessen,  
Design and building public estate

#### Tips and cautions

- Ask suppliers, business customers, partners, distributors or processors for information and perhaps a statement.  
**Example processor of natural stone:** Ask your suppliers if they can demonstrate that they do not use child labour, that workers are protected against dust and grit, and to what extent a fair wage is paid. Ask them to issue a statement about this.
  - Create a questionnaire for your suppliers, customers, distributors or processors focused on how they deal with the seven core CSR themes. Ask about their CSR achievements and actions. Ask them to do the same for their own suppliers and customers. Ask for a CSR statement.
- Turn risks into opportunities or say farewell.  
**Example curtain fabric wholesale:** Ask your suppliers to switch to biological cotton. Ask them to paint without using chemicals. Explore their willingness to cooperate.
  - If risks occur, ask your suppliers how they are going to deal with them. Enter dialogue to find a solution. See if cooperation is a way to turn a risk into an opportunity to do better. Is there little or no cooperation? See if there is another supplier that does match your expectations and say farewell if it is an important issue. Seek assistance of industry associations or government if that doesn't work. Draw a press release to clear up the dilemma and convey your point of view.



## Make use of knowledge and experience of others

As an entrepreneur, you do not always have to invent the 'sustainable wheel' yourself. More and more information becomes available about sustainable aspects from industry associations, government agencies, trade unions, local networks, civil society organizations and SR consultants. Use knowledge on the internet from reliable sources and have a look at SR leaders.

### Tips and cautions:

- Make use of industry knowledge, experts and the Internet. Among others: Industry associations, CSR platforms, trade unions, NGOs, SR consultancies, trade associations, websites about social responsibility.  
**Example bag shop:** A large part of the collection comes from another country and there are doubts about working conditions in that region: Ask your Chamber of Commerce for more information.
  - Ask about the costs: a lot of information is freely available and various experts, for example from NGOs, municipalities, industry associations or local networks, offer free or cheap advice.
- Have a look at SR frontrunners. Among others: frontrunner programs by SR organizations, industry branches or local governments. Or, set up your own frontrunner project with like-minded partners. Check out the example on page 60.
  - Visit SR frontrunners from the same industry, possibly in a different region, or visit SR frontrunners from other sectors. Get informed and inspired.
- Enquire about subsidy opportunities and tax benefits. For instance at your Chamber of Commerce, the Ministry of Finance, specialized consultants or SR organizations.



*'Being socially responsible is also:  
sharing knowledge. This means that you  
can obtain and convey knowledge'*

Rob van der Poel,  
Director Training Company Oud Arlesteyn



*'Participating in the SR  
expedition 'Food & Agribusiness'  
opens new sustainable opportunities  
that I could not see on my own.  
In addition, it works very inspiring.'*

Mike Turenhout,  
Quality and Sustainability Manager  
OpenSEAS / Amacore Seafood

## Combine forces and work together

A strong attribute of entrepreneurs is being somewhat stubborn. They like doing things 'their own way'. However, value chains can be made sustainable much faster, when multiple chains or links collaborate: Local, regional, national as well as international. That's why this guide, based on ISO 26000, helps you to speak one language. Collaborating gains a new dimension through focusing on social responsibility. Join forces - where possible - to make products, services and value chains more sustainable.

### Tips and cautions:

- Participate in local, regional, national or international initiatives.  
**Example SMEs in Rotterdam:** Rio on the Maas river helps and connects local initiatives, puts local, sustainable development on the agenda and explains the relationship between local operations and global challenges.
  - Look for collaborative opportunities within your shopping street, industrial zone, local entrepreneur societies, your own network, (inter)national initiatives.
- Join sustainable initiatives within the industry or sector.  
**Example hospitality:** Farmers, growers, manufacturers, (wholesale) trade and distribution, supermarkets and specialty stores, caterers and hospitality work together to make food and food production more healthy.
  - Look for collaborative opportunities within your industry (eg installation industry or association of textile industry) or sector (eg projects within the Sustainable Agriculture Initiative, SAI).
- When trading internationally, work together to achieve more sustainable supply chains.  
**Example: supplier of wooden garden houses/furniture:** Purchase wood with a certificate like FSC or PEFC.
  - Consider joining international initiatives for sustainable supply chains like SEDEX or BSCI.

# 5

## case 1

## Dijkhuis building contractors

*Dijkhuis is a contractor that initiates, realizes and manages innovative and sustainable building projects. The work field includes the building of houses, apartments, utility buildings, and even floating houses. In addition to contracting, Dijkhuis is also developer and facility manager, supplying heating and maintenance during the usage phase of the building. The company has about 25 employees and is located in Hardenberg, The Netherlands.*

CEO Eberhard Dijkhuis indicates:

**W**e look at the complete lifecycle of a home or building as much as possible. It is important to take into account the energy-, maintenance-, demolition and recycling costs right from the start of the design process. This means sustainable profit for the user and manager, but also for our surroundings, the environment and us. With innovation comes creativity. Focus on the process management alone can be counterproductive. ISO 26000 focuses on all issues of social responsibility and leaves room for customization. This makes it a great approach for businesses that seek to promote sustainable innovation in the building sector. We have ensured to scrap unnecessary procedures and ultimately, we've created a CSR & Quality Handbook that is the directive to our priorities for sustainability, ISO 9001 and safety.

*'Sustainability isn't profit at the expense of others, but profit together'*

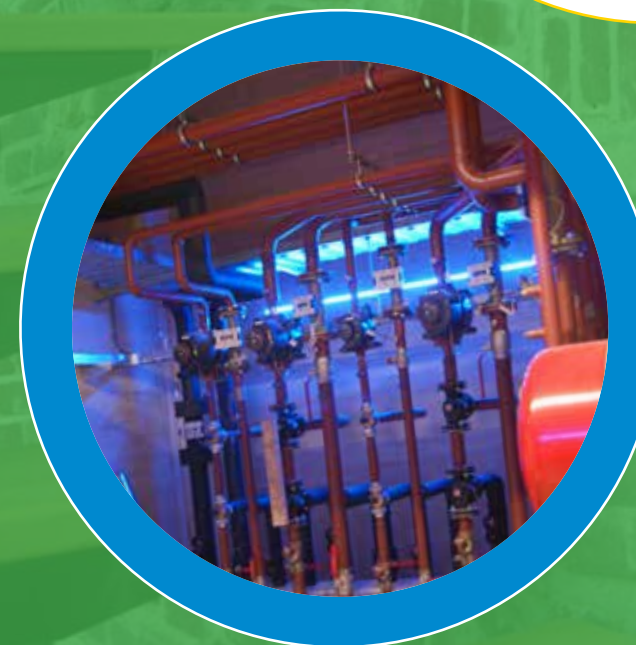
Eberhard Dijkhuis, CEO

### Benefits:

- \* Financial advantages and extra living comfort by taking heating and maintenance into consideration during the usage phase of the building. For example, tenants at the Anna Charlotte Hof apartment complex now pay EUR75 a month for heating and hot water, instead of EUR100 a month for gas. This amount was reduced by installing a heat pump and floor heating. In addition, the living comfort has greatly improved. A clear win-win situation.
- \* Substantially reducing garbage is possible with the Maskerade living concept, which involves industrial construction using wood skeletons. This construction process reduces garbage by 80% compared to traditional construction methods. The total lifecycle of the buildings is also longer because they can more easily adapt to new situations – they're 'lifecycle proof'. The energy and materials for demolition and building again are saved.
- \* Increased comfort of surroundings. Balconies are designed to ensure it's possible to sit together. Privacy is increased by taking into account the view and peek-in angles. The quality of the surroundings are improved by choosing materials with natural self-cleansing properties. The living environment becomes more pleasant with a green roof terrace, the installation of an energy efficient groundwater heating system or solar energy powered gardens and entrances.
- \* A more efficient construction process is established through the cooperation with suppliers in the chain. Especially if this happens in combination with a Building Information Model (based on 3D drawings). Giving the users a say from the start contributes to a more efficient construction process.



Eberhard Dijkhuis





# tips

- \* Picturing CSR-priorities increases the sense of purpose of your business. The step-by-step plan of this handbook goes further than the risk-focused approach Dijkhuis used to apply. You can use it to tune your management to your organizations' vision.
- \* A review of your vision and strategy is worthwhile and is considered very positively.
- \* Cooperating with colleague-contractors by sharing knowledge helps both parties. In the Hibertad project, knowledge is shared, but it also leads to surprising new insights through cooperation.

- \* Regular procedures are too often aimed at certification (like ISO 9001) and don't focus enough on the desired result. Focus on the procedures that make the difference and apply your SR priorities to them. This leads to more customized procedures that better match your vision and desired results.
- \* Every month, take photos of construction sites of your own and those of your colleagues. Discuss them together. This is a stimulus for each other and encourages dialogue. It leads to a huge amount of awareness.
- \* In addition to the construction cost, energy costs are an important part of the cost of living. By considering the energy, maintenance, demolition and recycling costs from the start of the design, the overall cost will be lower than when they're only considered after the construction phase.
- \* Come have a look at the Hibertad Foundation in Hardenberg, where knowledge of sustainable materials is shared and solutions are offered for the entire building column, from the client to the supplier. That also (and mostly) counts for colleague contractor companies. This happens through a unique cooperation with government, social organizations, universities, schools and businesses. On 2000 m<sup>2</sup>, dozens of sustainable heating and electric systems are demonstrated and equipped with a joule meter to measure energy gains and usage.

www.dijkhuis.nl

## case 2

## Douma Steel

*Douma Steel is a trade company dealing in steel, pipes, bright steel, stainless steel, and pipe components. It owns a computer controlled drilling and sawing installation. From its office in Sneek, The Netherlands, it delivers to machine factories, steel builders, shipyards and building corporations. The family business employs 46 people.*

*CEO Geert Jan Douma enthusiastically talks about his business and his vision of sustainability:*

It isn't just about energy, but also about how you treat your employees. For example, we work with a physiotherapist that supports our employees in finding a proper working posture and recognizes complaints early on. It's also about having a support in the organization. Thinking about SR should be a high priority for our employees. In addition, I find sustainable cooperation with other businesses very important. I share my experiences within the entrepreneurs' society and the sector. You need to be prepared to learn from others and be open for new ideas.

### Gaps

We were well on our way with sustainability, when we got the chance to participate in the Frontrunner Project (see page 60). Yet we benefited a lot from it. We used the ISO 26000 DuOn-Scan as a baseline measurement. This broadened our insight and resulted in more awareness. The results are very recognizable and give us the confidence that we're moving in the right direction. It also shows gaps, such as attention to working conditions at our suppliers. I must admit it included a number of difficult questions that we couldn't immediately answer. It really shows how broad SR actually is.

### Continuous learning process

Because of the Frontrunner project, we've taken up various new things. For example, we'd like to realize the expansion of our office energy neutrally. Another frontrunner, Holiday Ice, taught us to shut off the air ducts at night. We also turn off the machinery over the weekend and we discuss things like frugal and efficient driving with our transporter. We provide information about this to our drivers in 10 languages. Ultimately, we aim to be energy neutral when it comes to our buildings. However, that's extremely difficult to realize for trucks for now, but we continue to actively follow developments.

### Awareness of employees and staff

We often communicate with our employees about it. Every week some employee will come forward with a clever little idea. They were more aware than I thought. For example, they pay attention to waste separation and paper saving. All departments received the Sustainability Profile (from the ISO 26000 DuOn-Scan) and they were widely discussed. It's a permanent point of discussion in staff meetings.

### Not about fashion

Externally we're going to communicate more as well, among others via our website. So far we've been very modest with this. Then again I don't think you should shout too loudly. It feels good when it's natural behaviour. If you do it because it's fashionable, you're doing it wrong. We're not creating a sustainability report. It's not a point of contention in the sector yet.

### Vision

As a part of the Frontrunner Project, we also established a coherent SR vision. It is very useful to take a good look at your ideas and it also helps with the communication about SR. We're still expanding this. It would be useful to have a certain format for this, something I'm still missing.





Geert Jan Douma



'Sustainability is a never ending process. It should also be supported by everyone in the organization'

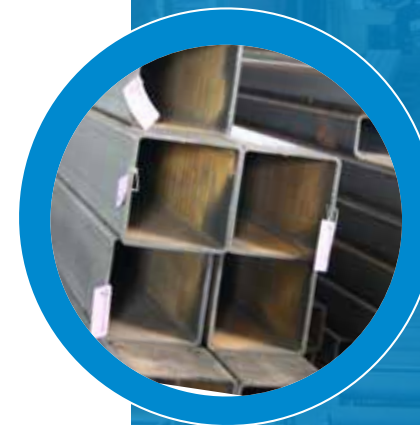
## tips

- \* Don't be led by subsidies but take responsibility for future generations, so that future entrepreneurs can continue to be active as well. It should flow from your heart, your own responsibility. It shouldn't just be about the Profit. Especially SMEs and representatives of family businesses are very involved in their company and therefore their surroundings. That makes them really receptive to sustainability.
- \* Start today rather than tomorrow. You'll see for yourself how fun and challenging it is to work with it. It isn't a tedious topic. Think practically: What can you do with it? As humans we should take responsibility together.



### Tips for the sector

- \* You can achieve a lot with simple measures, such as turning off machines and air ducts. Also ensure to make truck drivers aware of their driving behaviour.
- \* In addition, look at more complex topics such as the origin of raw materials (steel), working conditions in the chain and energy neutrality. Make sound choices, especially in new construction.
- \* Be constantly alert of the health and safety of your workers. It is heavy work. For example, employ a physiotherapist. Preventing is better and cheaper than curing.
- \* Check if it's possible to employ people with disabilities or employability problems. Our experiences with this are very positive.





# case 3

## Hotel Tjaarda

*Hotel Golden Tulip Tjaarda Oranjewoud is a hotel, conference center and wellness center. It is beautifully located in the woods of Oranjewoud, near the city of Heerenveen in The Netherlands. It employs 75 people. Tjaarda was active on the sustainability front long before it came into contact with ISO 26000. A lot is done in the areas of water and energy saving and waste separation. It mostly uses biological and regional products. Herbs and spices are grown in its own garden and it has several vegetarian options on the menu. Recently, Tjaarda even achieved the Gold level of the Green Key label for businesses in the tourism and recreation sector.*

CEO Tjitte de Wolff:

We came into contact with ISO 26000 via the Frontrunner Project on sustainability. We saw this project as a chance to broaden our SR policy and profile ourselves as a more sustainable business. Our SR performance has been mapped, based on ISO 26000. That was very useful, because I lack the time to read through the entire directive. Because ISO 26000 is broader, more analytical and more in accordance with policy, it was a great addition to Green Key, which is predominantly aimed at checking boxes of practical measures.

### Real Bespoke Work

Through the ISO 26000 framework, we've obtained a better grasp of what exactly SR means for our organization. The ISO 26000 DuOn-Scan visualizes the results in clear graphs. That is very useful. It also gives a variety of practical suggestions. Real bespoke work – It's brilliantly applicable and easy to explain to people. In two years, we'll do it again to see how we fare then.

### Formulating SR policy

The result got us started to formulate our SR policy and better document our actions. As a result, we communicate better with our employees, suppliers and guests. We used to do a lot in the past, but we did not communicate enough. We do it a lot more now, among others via our website and newsletters for employees and guests. We have also recently started a green business meeting arrangement.

### Profit

We have benefitted from it a lot. In a short time, we've saved approximately 9% energy. In addition, all the attention around the Frontrunner Project has directly resulted in EUR 27,000 in extra profits.

### Staying ahead

We have become increasingly convinced that we're on the right path. We want to keep staying ahead in terms of sustainability and distinguish ourselves through it. To achieve that, we structurally reserve a part of the investment budget. We also want to realize further cost savings. Our goal is an energy neutral organization that is also very sustainable on other fronts, and ensure this is also clearly visible for guests.



'Sustainability goes hand in hand with quality, comfort, luxury, and profitability'

# tips

- \* Take your time to create a foundation within your organization. Don't just do it alone. Appoint a commission or workgroup at the start of the project that does the work. It shouldn't be just the CEOs story, but the story of the whole organization.
- \* Document everything you collect. For example, all suppliers are required to send me information about delivered goods, disposed garbage, and amount of laundry kilos etcetera in the third week of January. Then we can process it all properly.



## Tips for the sector:

- \* Obtain your Green Key certificate. This is an internationally accredited eco-label. Use ISO 26000 if you want to go further than checking boxes and really want to get into the topic.
- \* Incorporate biological ingredients from local suppliers or grow them yourself, for example in an herb garden. Customers appreciate local produce. It tastes better and it usually costs less too. Pay attention to fair trade with products that come from less developed countries. Take good care of vegetarians.
- \* Show your customers that your attention to sustainability isn't just idealism, but most importantly leads to higher quality (taste, comfort, good feeling) for the customer. Explain why you make certain sustainable choices without coming across as preachy.
- \* In hospitality, it is possible to save a lot on water, garbage and energy with relatively small investments. Combine this with increased awareness of your staff and guests.



[www.tjaarda.nl](http://www.tjaarda.nl)

# case 4

## LNO Printing Company

*LNO is specialized in offset and digital printing and mainly aims at business users, (semi-) government and advertising agencies. LNO prints, designs, controls and manages the process of graphic media for every desired circulation. LNO, located in the south west of The Netherlands (Zierikzee) and has eighteen employees.*

CEO Wicher Deddens says:

**L**NO willingly supports her relationships in its efforts to maintain and improve the environment. We offer our customers a chance to analyse the package of prints together and provide concrete advice about purchasing sustainable prints. The economic crisis naturally impacts the creative industry, causing overcapacity and puts pressure on prices. However, at LNO we also see new opportunities and challenges! For LNO, social responsibility is a continuous process that we wish to integrate in all of our company processes. We accept responsibility for our company's impacts on the environment, internal and external social aspects and work on continuity and a fair division of profit within the chain. We see ISO 26000 as a strong backbone to make our SR policy tangible.

## Benefits:

- \* We are FSC and ISO14001 certified and use 100% green energy. We operate a strict waste separation policy. We print with reduced alcohol levels and use environmentally friendly materials, such as chemical-free offset plates.
- \* Recently, LNO invested in a new computer-to-plate system and workflow. The advantages are vast: Immediately after illuminating, the plate is print-ready. No developer machine is required anymore and there is no storage and discharge of chemicals or polluted rinse water. We don't dispose anything in the sewers anymore!
- \* Health and good working conditions are continuously emphasized at LNO. For example through relevant certifications and participation in a Graphic Media attendance scheme. Good health leads to continuity, which is better for everyone.
- \* It can be difficult to quantify financial savings, but don't discount qualitative improvements. From the opposite perspective: If the better solution costs you very little to nothing extra, why not go for it?!

*'ISO 26000 can positively contribute to the reputation of the graphics branch.'*

Wicher Deddens, CEO





Wouter Deddens



*'Where supplier and customer work together on sustainable improvements, their relationship has more depth.'*

Rob van Wanrooy,  
Sales & Marketing manager,  
Manroland Benelux

# tips

- \* Seek concrete improvements of your sustainability performance. Once initiated, colleagues, distributors and customers will automatically gain more enthusiasm. The path leading up to the goal is just as important as the final result.
- \* Avoid green washing by just flaunting your FSC certificates. Also scrutinize the process' soundness and accountability.
- \* Determine the key issues for your SR policies and focus on them: humble and concrete actions rather than an unpractical, ambiguous story.

## Tips for the sector:

- \* The infrastructure of the management is more important than the product. Specific knowledge of process innovation is required to gain optimal advantage of the synergy between solutions. Think graphic automation, linking databases for publications, utilizing standards (PDF, JDF). The whole is literally more than the sum of parts!
- \* In contrast to traditional plates, process-free offset plates don't require chemical treatment. Even rinsing is unnecessary. Immediately after illuminating, the plate is print-ready. The advantages are obvious: No longer is there a need to invest in developer machines. The company needs less space, no additional expenses are required for purchase, storage and discharge, and there is no polluted rinse water.
- \* Don't work alone, but combine efforts. LNO is part of Pica Media Partners, a network of independent Graphic Media companies. In this network, over thirty Graphic Media companies bundle their efforts through collective procurement, research and development, sales and marketing. That way, partners share more and more sustainable knowledge, specific features and capacities.



[www.lno.nl](http://www.lno.nl)

# The SME Sustainability Frontrunner Project

In 2010, Jaap de Vries launched the SME Frontrunner Project on sustainability in the Dutch municipality of Opsterland in The North of The Netherlands. The project is designed to show local governments and business companies that sustainability is not just necessary and fashionable, but that it can be exciting and rewarding as well, using concrete examples and case studies. In other words, that it's good for People, Planet AND Profit.



## How does it work?

A SME Frontrunner Project usually involves between 5 and 15 business companies from a certain municipality (or occasionally from a number of municipalities). After an initial introduction meeting, the businesses, and possibly the municipality itself, are thoroughly screened using the ISO 26000-based DuOn-Scan, creating a comprehensive Sustainability Profile. For each topic, clear graphs and scores highlight exactly what's already going well, which areas require improvement and what benefits the company can potentially achieve. It's loaded with practical hints and suggestions. In addition, the business' environmental performance is made visible using the so-called Environment Barometer, based on information about energy consumption, emissions, garbage disposal, transport etc. This results in many practical measures and opportunities of which the costs are often recoverable within a few years. Interesting extra feature: The Environment Barometer also determines the CO<sub>2</sub>-footprint. The CO<sub>2</sub>-footprint is becoming an increasingly important requirement for businesses, for instance in public procurements.

When all baseline measurements in a group of frontrunners have been completed (and they all speak the same 'SR Language'), the results are shared in a feedback meeting. In these meetings, businesses have the opportunity to learn from each other. Subsequently, everyone starts by drawing a practical action plan. These plans are shared in the following meeting. Finally, all participants get started with an assignment on SR communication: How do I communicate my SR message? This often turns out to be an exceptionally useful exercise.

Each SME Frontrunner Project lasts for approximately one year and is concluded with a Frontrunner symposium, at which the Frontrunners present their results and inspire other businesses.

## What are the benefits?

The SME Frontrunner Project has a lot of benefits for the participants, such as:

- A sound baseline measurement: What are we good at and how can we improve?
- Ideas for the improvement of their management, as well as the products and services.
- Savings on, among others, energy, garbage disposal and mobility costs.
- Positive publicity which often leads to new customers.
- More engagement of employees.
- A different, fresh outlook on the organization.
- Expansion of the network and cooperation with other businesses in the region.

## Upscaling

This approach has proven to be very successful and both municipalities and businesses are enthusiastic. Therefore, the Dutch regional government Province of Friesland, via the project office (A7Westergo), has decided to expand the project province-wide. Meanwhile, about 200 SME companies have participated in one of the 24 Frontrunner Projects during five years. A Frontrunner Project has been carried out in almost every Frisian municipality.

## Other organizations get inspired

The Frontrunner Project is initially aimed at SMEs. In several projects, municipalities themselves also participated as a Frontrunner, as well as a number of educational institutions. In addition a special Frontrunner Project is carried out with health care institutions. They are part of a learning network on sustainability in health care, called MOARN (Taking care of tomorrow). In March 2015, a similar learning network was launched for government municipalities and a project for housing cooperatives followed shortly after.

## Cooperation

The Frontrunner Project is a nice example of 'multi-stakeholder' cooperation. The project office of the province carries out a facilitating role in the project. It provides communications on provincial level, the Frontrunner website and other communication, the organization of Frontrunner symposia etc. With a financial contribution, the province also ensures the entry threshold isn't too high for businesses. Municipalities also play an important role in the Frontrunner Project: they approach local business companies and ask them to participate, organize meetings and provide the necessary publicity.

*'the Frontrunner Project is a great way to involve SMEs in our efforts to build a more sustainable regional economy'*

Province of Fryslan, Tjitske Jeltema,  
Project leader sustainable innovations





# NEN, Netherlands ISO National Standards Body

The Dutch Standardization Institute, or simply NEN, is the Dutch member of ISO. ISO stands for International Organization for Standardization. This organization has more than 160 members from all regions of the world. Per country, one standardization body may be a member of ISO. NEN is the official Dutch member.

*General Director Piet-Hein Daverveldt indicates:*

**F**or the realization of this special guidance standard, the largest multi-stakeholder process was held with support of ISO. This was done by 42 major international organizations (eg United Nations, International Chamber of Commerce, OECD) and nearly one hundred countries, including 66 developing countries.

So there is a global platform for ISO 26000. Each country delegated experts from six different stakeholder groups: industry, government, labour unions, consumers, civil society organizations (NGOs) and other parties (including science, education, consultancy firms and ISO member bodies). After four years of preparation and six years of development, the world can now 'speak one language' to restore the balance between people, environment, and economy.



*'ISO 26000 gives  
substance to the ISO  
philosophy of  
'Standards to make the world  
a better place'.*

Piet-Hein Daverveldt, General Director

## The need for a concrete approach to SMEs

ISO 26000 is also applicable for the small SMEs and SME in general. That is the reason for NEN to contribute to this handbook. Because the ISO 26000 guidance is so complete and therefore quite extensive. An accessible and comprehensive explanation for the (small) SME is essential. The clear step by step plan in this handbook will therefore definitely help you put social responsibility into practice.

## Practical instruments

To make knowledge of ISO 26000 more accessible, NEN also offers other products. NEN has already issued two practical guides:

- 100 most frequently asked questions (unfortunately only in Dutch).
- The implementation of SR, Best practices and tools for ISO 26000.

Furthermore, NEN offers two practical instruments that are published as National Standards:

- ISO 26000 Self Declaration, NEN NPR9026
- Due diligence, NEN NPR9036

## Self declaration

The ISO 26000 Self Declaration is a self assessment tool to enlarge the credibility of organizations that are using ISO 26000 to integrate social responsibility. The most essential content of ISO 26000 is transferred into 40 questions. The questions are generic and in the answers an organization can prove how it applies SR in its specific situation. NEN has developed a web-based electronic tool that assists an organization in answering the questions and providing a report.

NEN also facilitates a public website where organizations can post their statement of application with the supporting information. In this way the statements are transparently available to the general public and can easily be found. The self assessment approach is interesting for SMEs because they can do it themselves without hiring external consultants.

For more information contact NEN, Dick Hortensius via email: [dick.hortensius@nen.nl](mailto:dick.hortensius@nen.nl)



*'Global thinking and  
acting locally/regionally  
is now possible using this  
step by step plan based  
on ISO 26000.'*

Dick Hortensius,  
Senior Consultant



# 7

# Handbook for larger companies with free tools

For larger organizations a more detailed handbook is available:  
 The Implementation of SR, Best practices and tools for ISO 26000  
 See: [www.iso26000bestpractices.com](http://www.iso26000bestpractices.com)

## Handbook summary

How can social responsibility (SR) best be implemented in organizations? How does the organization prioritize in this area? And how can a wide support base for SR policy be established inside and outside the company? This is just a sample of the questions covered by the NEN practice book. Based on nine case studies in industry and government, the authors deal with all relevant aspects of the implementation of social responsibility with ISO 26000. The case studies describe a variety of organizations and show how they apply ISO 26000. Precursory to the case studies, the authors describe their methods and which tools they use for them. Especially the tools prove to be very useful in real practice. The handbook also shows the results and lessons learnt from all case studies.

NEN Publishers, Authors Hans Kröder and Pierre Hupperts



## Free tools

The handbook explains best practice tools that prove their added value at every implementation of SR with use of ISO 26000. You can download the tools for free:  
[www.iso26000bestpractice.com](http://www.iso26000bestpractice.com) or [www.learn2improve.nl](http://www.learn2improve.nl)

## Tool: issue (priority) matrix

The issue (priority) matrix is actually an issue / stakeholder / process matrix, but is here simply referred to as issue matrix. In practice, this matrix appears to be the central tool for prioritization of SR issues. The tool also helps gain insight into the connection between relevant SR issues, stakeholder interests and own processes.

The issue (priority) matrix has a twofold objective:

1. Making the relations between the 37 SR issues and the stakeholders and processes of the organization transparent.
2. Mapping the relevance, significance and priority of each SR issue.

## Tool: stakeholder communication matrix

The stakeholder communication matrix is a simple tool that displays the SR communication with stakeholders. It enables the organization to obtain an overview of the SR issues and the required communication about those issues with stakeholders. The matrix uses important input from the issue (priority) matrix.

The stakeholder communication matrix has a twofold objective:

1. Providing an overview of the SR communication with stakeholders.
2. Involving the organization and assigning those responsible.

## Tool: implementation matrix

The implementation matrix maps important process steps for the implementation of SR described by ISO 26000. The tool has been developed because it has been requested by a number of SR management groups for achieving an overview of the implementation's coordination.

The implementation matrix has a twofold objective:

1. Mapping important process steps for SR implementation, including the required results (deliverables).
2. Involving departments and assigning responsible individuals and activity initiators.





# Upload your case example at:

[www.iso26000forsmes.com](http://www.iso26000forsmes.com)

We included only four case examples of The Netherlands in this handbook, although there are many more. Our dream is to share SME case examples all over the world and inspire each other.

That is why we created a possibility to upload your case example on the website: [www.iso26000forsmes.com](http://www.iso26000forsmes.com)

We use a simple structure for each case example:

- What type of company are you?
- Your country, location and website address (if available)
- Short description company business and size
- Explanation by the CEO 'why social responsibility and the use of ISO 26000 is important'
- Benefits of operating socially responsible
- Quote of CEO
- Quote of a stakeholder
- Pictures (3x)
- Tips in general
- Tips for branche / sector



'All over the world SMEs are contributing to a sustainable economy and world. It is important that SMEs get practical tools.'

Jorge Cajazeira,  
ISO 26000 chairman PPO-SAG

## ISO 26000 Chairman Jorge Cajazeira

Jorge Cajazeira has been involved in the ISO 26000 development and post publication from the very first beginning. He was elected to be chairman of the ISO 26000 working group during the full development period from 2004 till 2010. In May 2010 at the final conference in Copenhagen, he was elected to be the chairman of the ISO 26000 Post Publication Organization – Strategic Advisory Group (PPO-SAG). Jorge Cajazeira is working for Suzano Pulp and Paper in Brazil as Corporate Director for Institutional Affair and Certifications. He stipulates the importance of providing practical information and tools for SMEs, like this step by step plan.



[www.iso26000forsmes.com](http://www.iso26000forsmes.com)



Luuk Dijkhuis  
of Technea (trade  
company of sustainable  
energy solutions),  
winner of the 2015  
Frontrunner Award.





# More handbooks

## Other handbooks on ISO 26000

### ISO 26000

Kenichi Kumagai, Japanese Trade Union Confederation RENGO,  
Japan  
Leader and Expert in ISO 26000 development and Post Publication  
Organization  
[www.jtuc-rengo.org](http://www.jtuc-rengo.org)  
Book: ISO 26000  
ISBN 978-4-88372-399-7



### ISO 26000 in Practice - A user guide

Michelle Bernhart, USA, Trueblue Communication  
Expert in ISO 26000 development and Post Publication Organization  
[www.truebluecomm.com](http://www.truebluecomm.com)  
Book: ISO 26000 in Practice – A user guide  
ISBN 978-0-87389-812-6



### Gesellschaftliche Verantwortung

Annette Kleinfeld, Germany, Dr. Kleinfeld CEC GmbH  
Expert in ISO 26000 development  
[www.kleinfeld-cec.com](http://www.kleinfeld-cec.com)  
Book: Gesellschaftliche Verantwortung nach DIN ISO 26000  
ISBN 978-3-8349-0806-3







# About the authors

Jaap de Vries

Jaap de Vries is sustainability consultant and owner of DZyzzion in Drachten, The Netherlands. He is the initiator of the SME Frontrunner Projects in the Province of Friesland in The Netherlands. More than 200 SMEs, governments and other organizations have become involved. From 2008 onwards, Jaap developed the DuOn sustainability scan, coherently utilizing ISO 26000. Jaap graduated from Delft Technical University after which he worked in Peru for eight years. There, he worked with governments, companies, educational institutions and development organizations to increase the sustainability of cities. After that, he worked at an international postdoctoral educational institute for three years: The Institute for Housing and Urban Development Studies (IHS) in Rotterdam, The Netherlands. From there, he has travelled to various countries to teach, conduct research and offer consultancy. All this international work has broadened his perspective of the world and sustainable development.

[www.dzyzzion.nl](http://www.dzyzzion.nl)



Hans Kröder

Hans Kröder is international expert ISO 26000. He was directly involved at the original drafting of the ISO 26000 standard. Since 2012 he is also involved in the new guidance standard on Sustainable Procurement, called ISO 20400. Since November 2007 he represents worldwide one of the six stakeholder groups of ISO 26000, named: Service Support Research and Others (SSRO). His background is business economics, with experience in the implementation of processes and information systems. Hans is business entrepreneur since 1998 and SR advisor and coach via his company 'Learn2improve your planet'. In November 2011 he published an ISO 26000 best practice book for medium and large organizations: 'The implementation of Social Responsibility, Best practices and tools for ISO 26000'. Since 2009 Hans Kröder has guided more than 60 organizations (national and international) in a variety of branches with the application of ISO 26000. He is active in more than 25 countries.

[www.learn2improve.nl](http://www.learn2improve.nl)

This handbook is about (corporate) social responsibility (CSR or SR) of small and medium sized enterprises (SMEs). What can you do as an entrepreneur to operate socially responsible? Is it feasible or only possible for large corporations with big budgets? Can you contribute to society, environment and economy in a few steps? Certainly! In this handbook, we explain how to gain sustainable profit using seven practical steps.

Entrepreneurs are answered questions such as 'What actually is SR?', 'which subjects are important?' and 'how do I tackle it?' Answers to questions like: 'What are the benefits?' and 'What concrete advice do I get?' To what extent can you move forward without having to worry about everything changing soon after? The good news is that this step by step plan is based on the new world-wide guidance on social responsibility for organizations: ISO 26000.

ISO 26000 offers an integrated approach and a logical framework that provides a grip, continuity and helps you make the right decisions about contributing to sustainable development. An additional important advantage is that you can speak the same (C)SR language with your customers, suppliers, business partners, governments, NGOs and other stakeholders. Not only does this increase your companies' sustainable efforts, products and services more efficiently and effectively, but also your collaboration in value chains.

This handbook is accompanied by a website:

[www.iso26000forsmes.com](http://www.iso26000forsmes.com)

This website has the opportunity to upload SME case examples from all over the world. So you can learn from other case examples and you can share your example to help and inspire others.

Authors Hans Kröder and Jaap de Vries enjoy unique expertise and experience in the integrated approach of social responsibility based on the ISO 26000 guidance. Their dream is to share case examples of SMEs all over the world. To inspire people, workers, customers, consumers, suppliers, business partners, government and everyone else. That is why the authors decided to give this handbook to the world for free!

Visit

[www.iso26000forsmes.com](http://www.iso26000forsmes.com)

for case examples  
and upload your's !



This ISO 26000  
based step by step plan  
makes social responsibility  
profitable for SMEs'

Jorge Cajazeira,  
ISO 26000 chairman PPO-SAG