

Help SMEs take up social responsibility



BY KWAN JIN YAO

THE report "Small firms should engage society" (*my paper*, Dec 16) makes the salient point that small and medium-sized enterprises (SME) have the ability and potential to organise activities that help promote corporate social responsibility (CSR).

CSR has been gaining more prominence and importance throughout the private sector here.

Besides the traditional approaches of charity and philanthropy – usually in the form of ad hoc initiatives or lump-sum monetary donations – CSR presents a win-win formula

that allows a company and its employees to grow and reap an assortment of benefits in tandem with a voluntary welfare organisation (VWO).

The idea that a firm's aim is to maximise profit is going out of fashion.

In view of the plethora of evolving environmental and societal challenges, CSR has emerged as a viable practice to balance private and public interests.

In terms of indirect business advantages, CSR can help to differentiate a company's brand from those of its rivals. It can also help to raise awareness of a company or product, and boost risk-management efforts, among other things.

Aside from the "profits" made by companies, VWOs will also gain directly from the increased amount of resources channelled to their causes or programmes.

VWOs also stand to gain

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from the publicity generated by a CSR initiative.

However, it is a tall order to expect SMEs to practise CSR without considering the benefits that they would stand to gain.

Instead of regarding such mindsets as hypocritical or insincere, one should view the practice as an active collaboration – one in which both sides can gain in different ways.

In the long term, companies will gain increased emi-

nence, while VWOs can expand their endeavours and services to their beneficiaries.

Nonetheless, the Government should be cognisant of the fact that CSR is a highly specialised field and, therefore, requires certain levels of expertise and experience before it can be put into practice.

These qualities are often lacking in SMEs, given their relative lack of exposure to such concepts.

More can be done by the Government to increase interaction between SMEs and multinational corporations, as the latter would have specialised departments and personnel to handle CSR.

Larger firms can help by sharing their insight into CSR, perhaps through business-ethics conventions or via the Internet.

CSR has – and will continue to – become an important component in decision-making processes around the world.

Apathy and lethargy towards it may prove to be detrimental.

The writer is a full-time national serviceman who blogs about current affairs at <http://guanyinmiao.wordpress.com>

HELPDESK 我的字典

Lump-sum: 一次总付的 yī cì zǒng fù de

Viable: 可行的 kě xíng de

Hypocritical: 虚伪的 xū wěi de

Insight: 见识 jiàn shì

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Bosses should set example in giving back to society

IT IS good of Mr Teo Ser Luck, Senior Parliamentary Secretary for Community Development, Youth and Sports, and Transport, to urge small companies to do their part in uplifting the lives of the underprivileged.

Employers can inculcate corporate social responsibility (CSR) in their companies' culture by encouraging their staff to take up volunteer work.

More importantly, bosses should lead by example.

Mr Lawrence Kim, managing director of Ebenezer NDT Services, serves as a good example.

He played Santa Claus to 116 disadvantaged children, who were treated to a meal at McDonald's and were given money to buy toys during a Christmas charity event last Wednesday.

It is heartening to observe a steady increase in the number of companies, both big and small, contributing to society in recent years.

If this sense of CSR is instilled in more corporations, it will bode well for the future and cement our commitment to making our society a caring and gracious one.

MR JEFFREY LAW LEE BENG

More sensible to cut car numbers for cleaner air

I REFER to the article "Growth in car numbers can't be cut to zero" (*my paper*, Dec 22).

The article seems to suggest that we would have cleaner air if we have more new cars with "clean" technologies on the roads, regardless of the traffic conditions we face.

Although it is well known that older cars cause more pollution than newer cars, this should not be seen as a reason for maintaining the growth of

car numbers here.

We must not forget that it is pointless to have more cars on the roads, as they would add to traffic congestion and fuel consumption, and hence cause more pollution in the process.

It would be better to have fewer not-so-clean old cars spending less time on the roads, as this would lead to smoother traffic conditions and less pollution overall.

We should even consider reducing the total number of cars if we cannot come up with a better solution to the present traffic situation, which could become a stumbling block to Singapore's economy.

MR ONG PENG HWEE

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