

Businesses Should Look Beyond Just Making Profits

- The making of a good corporate citizen – the tripartite way -

IT IS only natural that all companies run their business with their eyes focused on one thing: The bottomline. It decides their actions, their decisions and their policies.

For most companies, this bottomline is naturally profit, or the interests of shareholders.

But the National Tripartite Initiative on Corporate Social Responsibility wants to add a few things to that bottomline. As its co-chairman, Mr Thomas Thomas, puts it, companies should also look at the social and environmental dimensions of business, to create a prosperous as well as just society.

This three-pronged approach, he says, should form part of the bottomline and serve as a broad principle or conceptual framework to help a company shape its own “socially responsible” approaches.

Balance approach

Says Mr Thomas: “The way to go is to take the balanced approach to address the economic, social and environmental issues... we should benefit people, communities, societies while doing business.”

Manpower Ministry Director Ong Yen Her draws a link between the latest efforts to help companies being more socially responsible and the ongoing push for wage reform.

Linking workers’ rewards directly to their and the company’s performance, he notes, will encourage them to upgrade themselves and make a greater contribution to the company.

“It also implies that the company must reward their employees fairly for their contributions,” he says, and notes that the benefits go both ways.

Human touch

With today’s intense competition and globalisation, there is an ever-increasing need for companies to maintain a human dimension. Companies must keep a human face, says NTUC Assistant Secretary-General Halimah Yacob, as they deal with their employees and customers.

In retrenching workers, for example, companies can fulfil their corporate social responsibility in giving workers counselling and advice, helping them to get jobs, and helping them to acquire skills.

Unfortunately, there are still many companies that do not subscribe to such an approach, she observes. Some workers are given 24 hours or even less to leave —“a marching letter, and out you go through the door”, as she puts it.
