

CIPS Principles of Corporate Social Responsibility (CSR)

“No matter what your sector, it is becoming increasingly urgent that risk management strategy – not to mention the creation of opportunities – includes an integrated approach to CSR at board level.”

Ken James, Chief Executive Officer of CIPS.

These principles are advocated by CIPS as a professional body for all P&SM professionals to observe in their activities. Within their organisations they must acknowledge the following:

Environmental Responsibility

We must consider the obligations we have to our surroundings, from local to global.

Human Rights

We will honour and observe and not exploit fundamental human entitlements.

Equality and Diversity

In our purchasing activities we will commit to improve our organisation's performance in relation to fairness to all.

Corporate Governance

Our system of internal and external reporting and responsibility matches our espoused values.

Sustainability

We will proactively promote sustainable practices and products throughout the supply chain without jeopardising future security.

Impact on Society

We will add value to the communities and societies upon which our organisation has an influence, either directly or indirectly.

Ethics and Ethical Trading

All our purchasing activities will be transacted with due regard to the needs and challenges of all involved parties.

Biodiversity

Through our purchasing activities we will proactively avoid reducing the number of interdependent species around us.

Principles in Practice

It is necessary for purchasing professionals to balance a number of key criteria throughout the P&SM process from identifying the need through to disposal of goods and services; such as innovation, continuous improvement, whole life costs and security of supply, as well as many other external factors.

It is no different with CSR; CIPS expects purchasing professionals to give adequate consideration to all of the interrelated elements within their purchasing decisions. CIPS encourages all purchasing professionals to use the Balanced Scorecard approach which brings with it inherent logic to ensure the purchasing process covers external boundaries, such as the interrelated elements of CSR. This process will encourage purchasing professionals to consider the importance of their stakeholders and to build a relevant process with them to maximise value and minimise risk to the organisation, whilst ensuring that all purchasing decisions take consideration of the overall organisational strategy.

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