



THE FOUNDATION OF CORPORATE SOCIAL RESPONSIBILITY

Responsible Sourcing in Your Supply Chain



CHAPTER 1

Corporate Social Responsibility, Your Supply Chain, and the Bottom Line

“The fact remains that the Kathie Lee name has become associated in the popular mind with the word ‘sweatshop.’ Mrs. Gifford, in short, has become Exhibit A in proving that what you don’t know can hurt you, after all.”

—1996 New York Times article

TWENTY-FIVE YEARS AGO, most businesses treated corporate social responsibility (CSR) and manufacturing supply chain management as separate and unrelated disciplines. In those simpler times, corporate social responsibility consisted mainly of well-intentioned, PR-driven efforts to “give back” (and hopefully improve the organization’s image in the process), while manufacturing supply chain managers focused almost exclusively on boosting efficiency and lowering production costs.

However, this dynamic changed suddenly in the mid-1990’s, when a series of high-profile news stories exposed poor working conditions, the widespread use of child labor, and low safety standards at the factories of universally recognized and admired brands.

These shocking revelations brought corporate social responsibility into popular culture like never before. They also forced thousands of organizations to acknowledge the unavoidable connections between socially responsible manufacturing practices and regulatory risk, brand reputation, and even profitability. As a result, smart businesses have been actively working ever since to align strategic CSR practices with their core business objectives—and integrate effective CSR practices and controls into all of the facilities that make up their global supply chains.



This fairly dramatic shift from “doing responsible things” to “doing things responsibly,” has been difficult. But for businesses with complex manufacturing operations and diverse supply chains, it has also transformed corporate social responsibility into a valuable risk management tool and an important new value creation engine.



“There is no question in my mind, based on our experience at Interface, that there is a clear, compelling, and irrefutable case—business case—for sustainability.”

—Ray Anderson, Interface founder



CHAPTER 2

Finding the Right Approach for Building Corporate Social Responsibility into Global Supply Chains

MOST ORGANIZATIONS TODAY recognize the importance of defining, integrating, and enforcing socially responsible manufacturing practices. But in this case, clear understanding and effective action are two very different things. Making meaningful, sustained improvements in social and environmental performance is always a difficult and complex task—especially when you factor in geographical and cultural differences, competing business priorities, and limited financial resources.

So what does it take to convert a strong commitment to socially responsible manufacturing into effective programs and concrete results—while increasing efficiency and profitability? As with most complex challenges, the answer starts with a careful, methodical approach that embraces the latest thinking and leverages proven best practices.





The details vary for every business, but as organizations have worked to integrate socially responsible practices into their global supply chains over the past 20 years, some important guiding principles have emerged that have proven they can deliver consistently positive results:

1 DEVELOP A COHESIVE, PROACTIVE CSR STRATEGY that is supported by detailed risk assessments, standards, practices, and processes—and then apply that strategy consistently across every factory and facility that feeds your global supply chain. This strategy should obviously incorporate focused short- and long-term CSR improvement goals that are clearly aligned with your business objectives. It should also include detailed plans for adapting your CSR processes to accommodate all of the diverse countries and cultures where you manufacture your products.

2 GET SUSTAINED CSR BUY-IN AND COMMITMENT across all levels of your organization. This commitment starts at the top with executive leadership, but it also includes the mid-level managers who supervise your manufacturing processes, front-line employees, and all of the third-party suppliers and factories that make up your global supply chain. Then, maintaining that company-wide commitment is an ongoing process that includes consistent reporting, regular involvement in CSR strategy changes, and active ongoing engagement to develop and refine responsible sourcing policies.



3 DEPLOY EFFECTIVE, UNIFIED TOOLS AND PROCESSES TO MONITOR, COMPARE, AND DOCUMENT responsible sourcing efforts and progress across your entire supply chain, including third-party factories and manufacturing facilities. This typically involves leveraging effective auditing processes and solutions that are capable of tracking, measuring, analyzing, and enforcing the CSR performance of all your suppliers and manufacturers—especially those who may not share your commitment to responsible sourcing.

4 IMPLEMENT FORMAL CONTINUOUS IMPROVEMENT PROCESSES that allow you to quickly identify and correct CSR issues and violations—whether it’s an isolated incident at a single factory or a systemic business-wide problem.

5 INVEST IN UNIFIED COMMUNICATION AND TRAINING PROGRAMS that deliver consistent, up-to-date CSR knowledge, requirements, and skills to every supplier, manufacturer, and employee that contributes to your supply chain. Again, these programs will likely need to be adapted and localized to meet the needs of factories and facilities in different parts of the world.

By embracing these core principles and applying them to your organization, you can build a modern, successful responsible sourcing program that consistently improves your social and environmental performance, lowers your business risks, and drives new value for your organization—without cutting into your profits or making your manufacturing processes less efficient.



Your Path to Strategic, Proactive, and Efficient CSR Improvements



Develop a unified
global CSR strategy



Get buy-in
at every level



Deploy the
right tools



Embrace continuous
improvement



Invest in
ongoing training

CHAPTER 3

Combining People, Practices,
and Technology to Deliver
Superior CSR Results

I F YOU DESIGN AND IMPLEMENT your responsible sourcing strategy correctly, it should provide a clear path toward a more socially responsible, continuously improving, and financially viable global supply chain. But reaching your CSR destination also requires thousands of daily

decisions, actions, and controls that support successful outcomes. Managing all of these complex interactions requires a careful combination of people, processes, procedures, and technology—all working together to deliver socially responsible improvements and results.



“Ethics is the new competitive environment.”

—Peter Robinson,
former CEO, Mountain
Equipment Co-op



There are several ways to use people and technology to drive responsible sourcing improvements across your diverse global supply chains:

ASSEMBLE A TEAM OF QUALIFIED CSR EXPERTS

Building compliant, socially responsible global supply chains is a highly specialized and complex undertaking. To be successful, you need to find and engage with leading CSR specialists who can fill the gaps in your institutional knowledge, offer objective external perspective, and provide the detailed knowledge you need to drive CSR processes deep into all of your factories and manufacturing facilities.

TAP INTO LOCAL PERSPECTIVES AND INSIGHTS

For businesses that manufacture products at different factories and facilities around the world, it's all too easy for responsible sourcing standards to get lost in translation. To consistently enforce responsible environmental and social standards on a global scale, it's important to connect with local CSR experts who understand your company's CSR strategy and goals—and have the cultural knowledge and vocabulary to successfully apply those goals in different cultural settings and regulatory environments.

FIND PROFESSIONAL, OBJECTIVE CSR AUDITORS YOU CAN TRUST

You can't enforce and maintain high social and environmental standards without a complete, objective, unbiased view of how well (or poorly) the different pieces of your supply chain are performing. To gain that view, you need teams of competent professional auditors who have the training to perform accurate assessments anywhere in the world. Some organizations try to use local managers or other internal teams to perform this crucial function. However, most businesses with successful responsible sourcing programs recognize that third-party auditors can offer levels of professionalism, credibility, accountability, and consistency that are difficult to achieve with internal auditing resources.

GIVE YOUR EXPERTS THE TECHNOLOGY THEY NEED TO SUCCEED

Your CSR strategy depends on finding the right people with the right skills and experience. But to be successful, those people need technology tools that streamline and automate the process of collecting audit information from around the world, quickly analyzing the results, and providing key stakeholders with the information they need to drive continuous improvements.



At first, building and implementing a CSR auditing system that is capable of accurately measuring and tracking CSR performance across your entire global supply chain may seem overwhelming. Fortunately, the recent convergence of two important technology trends—cloud and mobile—are making it increasingly easy and affordable to implement this type of advanced, next-generation CSR solution.



CHAPTER 4

Finding the Right CSR Partners

BUILDING SOCIALLY RESPONSIBLE and compliant global supply chains requires a comprehensive and unified strategy, a qualified team of CSR experts who are capable of successfully implementing that strategy across diverse cultures and geographies, and an advanced auditing technology platform that can automate and support your team's efforts.

So what's the fastest, most efficient, and least expensive way to put all of these pieces in place? And where can you turn for the CSR expertise and technology you need to build a more responsible, compliant, and low-risk global supply chain?

RizePoint and ELEVATE are ready to help you answer these crucial questions—by providing everything you need to develop, implement, and maintain a socially and environmentally responsible global supply chain. RizePoint, the leader in brand, safety, and quality compliance software, has partnered with ELEVATE, a global professional services firm specializing in supply chain social, environmental, and business performance, to help companies understand and implement responsible sourcing.

*"To do good, you
actually have to
do something."*

—Yvon Chouinard,
Patagonia founder



RizePoint—Your Next-Generation Auditing, Analytics, and Continuous Improvement Technology Platform

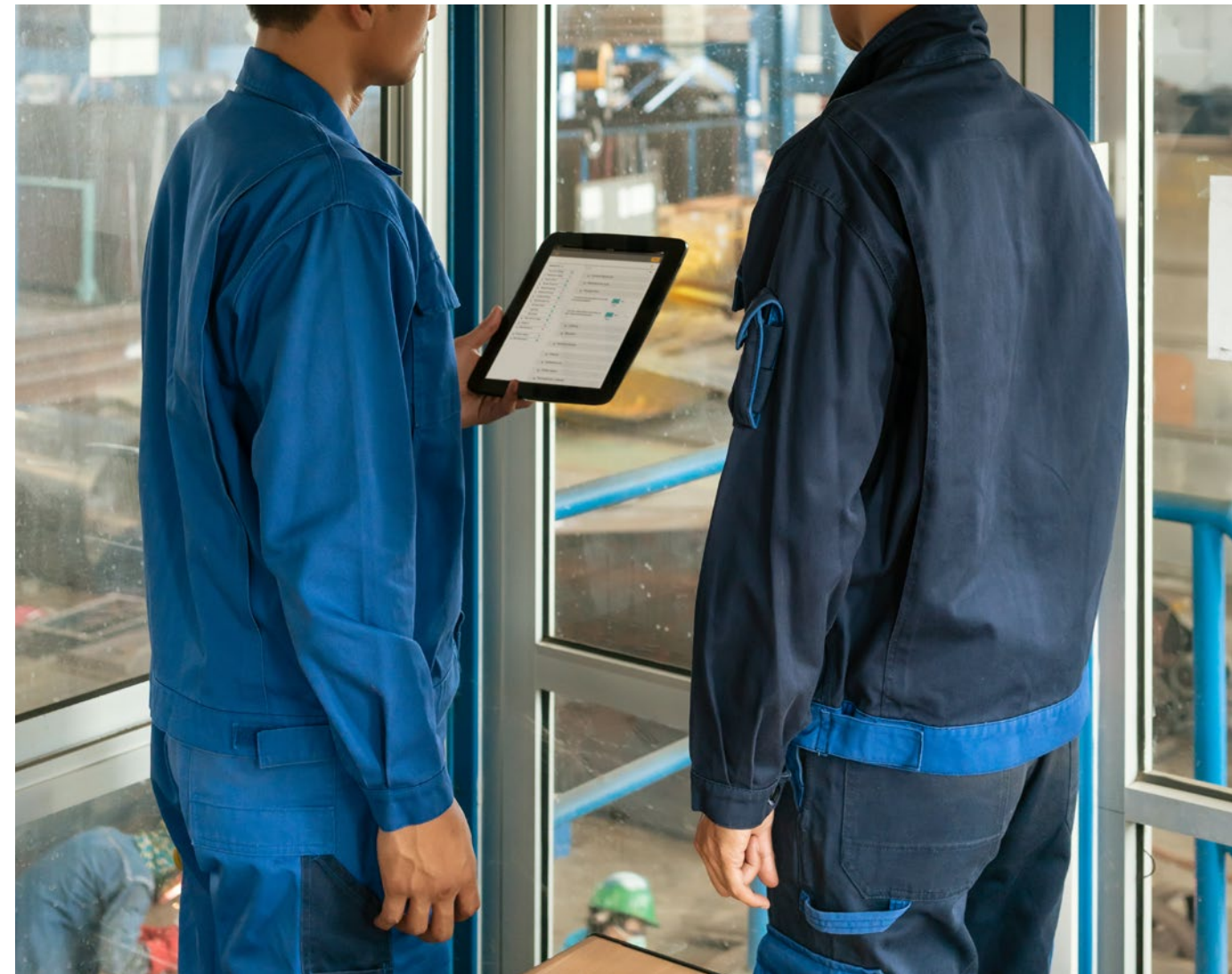
RizePoint has spent more than a decade designing, building, and perfecting a software solution that includes all of the characteristics and capabilities you need to bring powerful corporate social responsibility auditing and continuous improvement capabilities to your global supply chain quickly and affordably—either as a stand-alone solution or as an extension of a larger auditing framework. The RizePoint solution includes:



A POWERFUL MOBILE APP that makes it easy for external auditors, employees, and suppliers to conduct detailed audits, assessments, and surveys—and upload the results—directly from their mobile devices.



A SECURE & CAPABLE CLOUD-BASED ENGINE that stores, processes, and analyzes audit and assessment data in nearly real time.





ADVANCED SURVEY BUILDING CAPABILITIES that allow anyone in your organization to create and update advanced conditional surveys with more than 10 question categories—and then make them instantly available to specific users.



A SOPHISTICATED RULES ENGINE that carefully monitors incoming data, quickly identifies potential corporate social responsibility issues and problems, and automatically alerts the appropriate people.



BUILT-IN BUSINESS INTELLIGENCE that analyzes and transforms raw assessment data into valuable insights within minutes. This includes innovative ways to search and view information to find answers to specific responsible sourcing questions.



FLEXIBLE REPORTING CAPABILITIES that allow you to get the right corporate social responsibility data to the right people—in the form that's most relevant and meaningful.

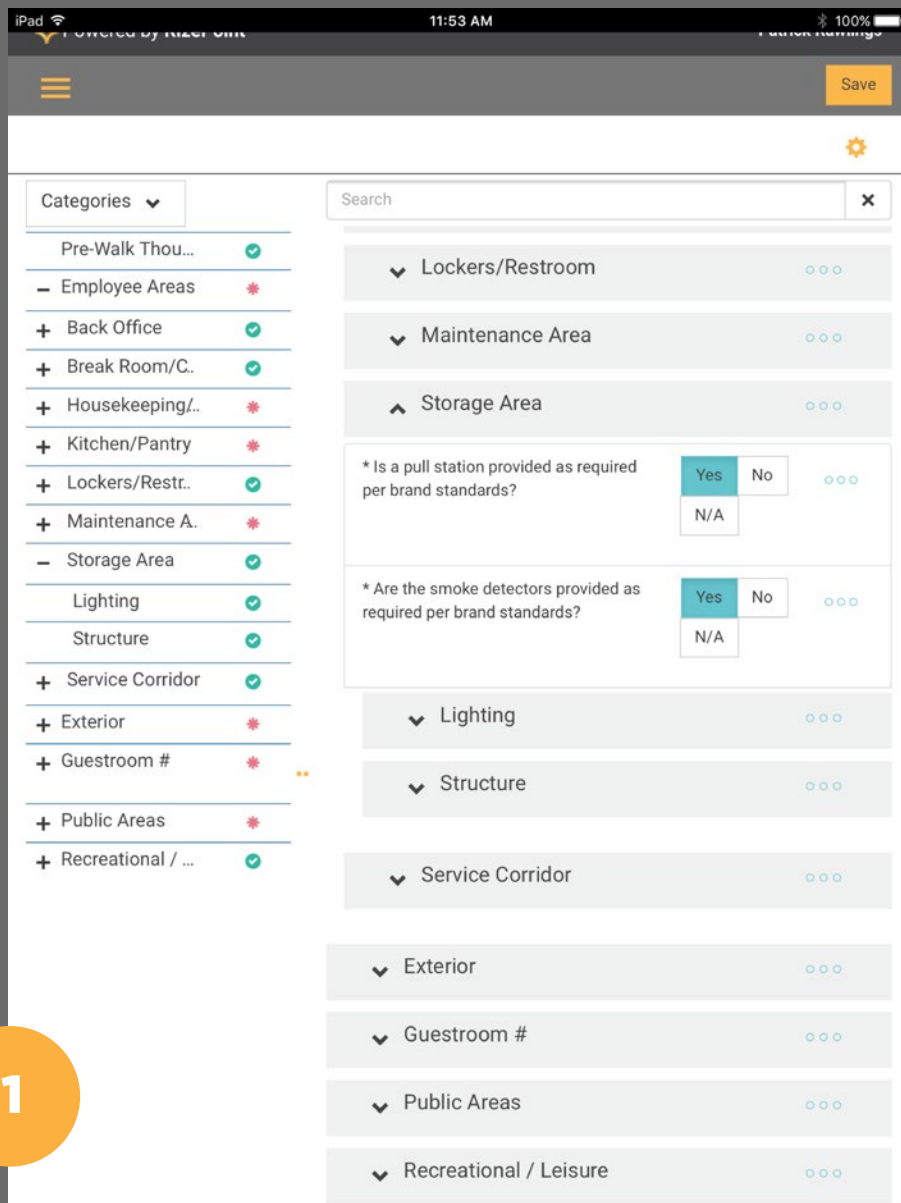


GRANULAR ACCESS CONTROL that allows specific people and groups to create, distribute, and access specific corporate social responsibility surveys, checklists, information, and reports.



A MANAGEMENT CONSOLE that brings business-wide access management, survey administration, alerts, filtering, reporting, remediation, and other functions together into one convenient location.



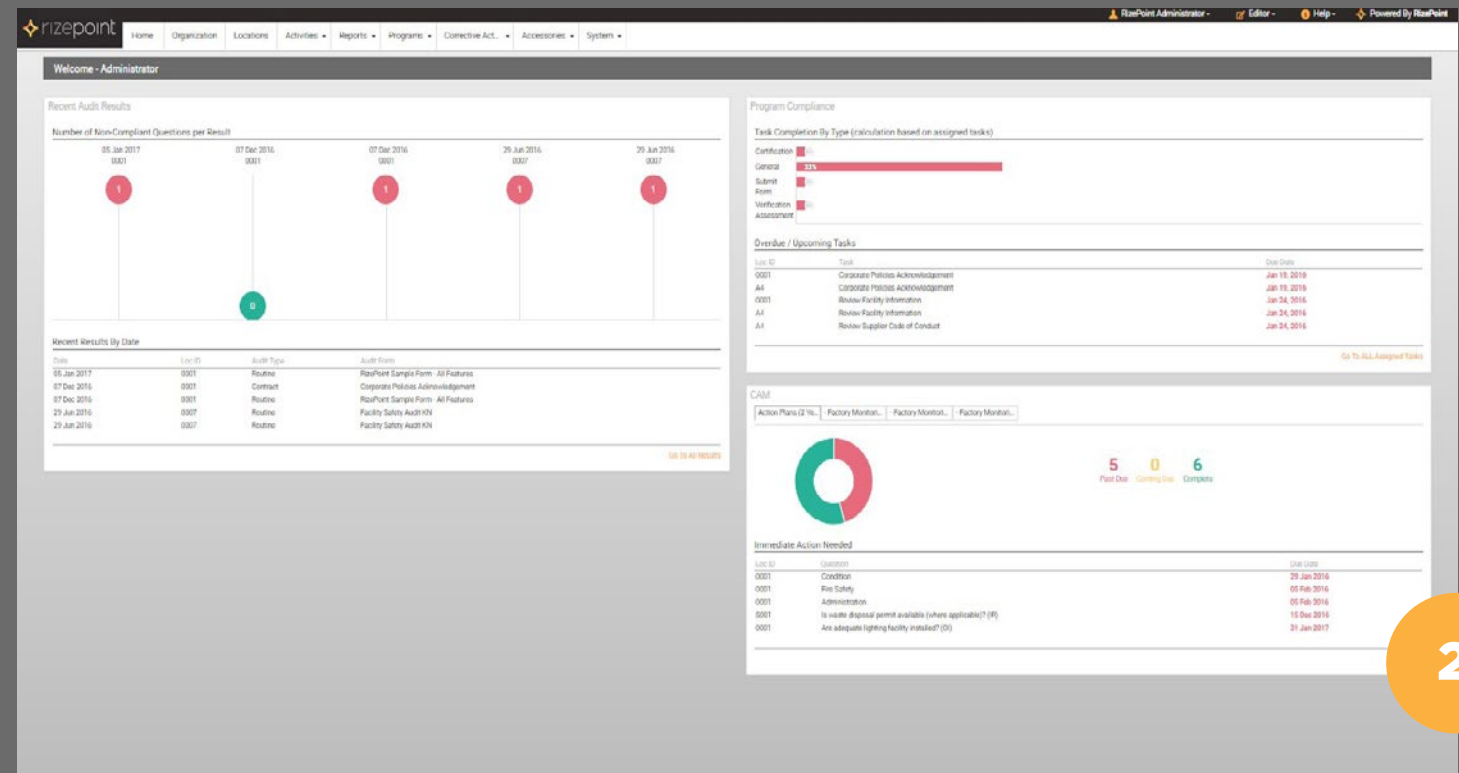


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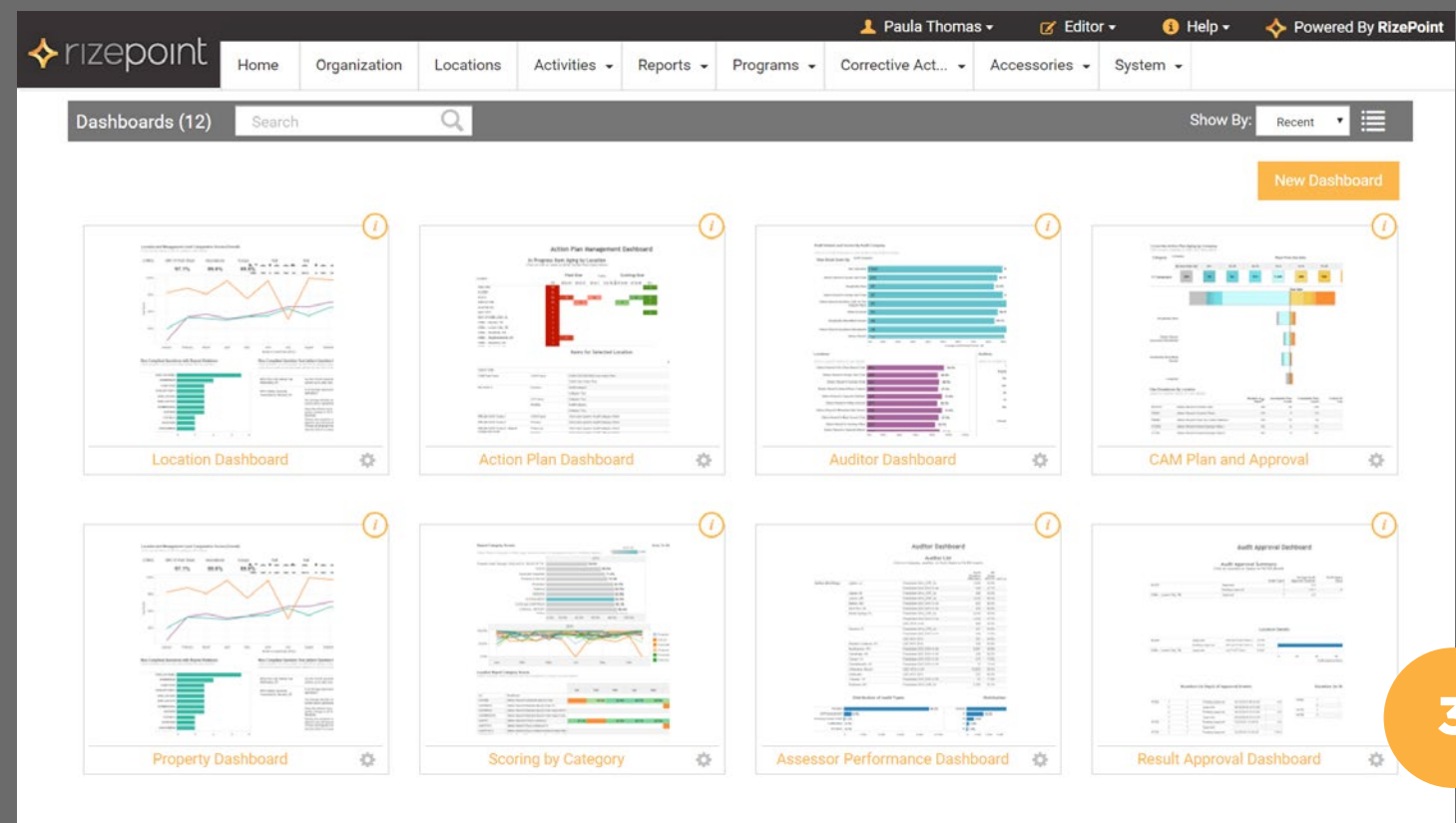
1 RizePoint's intelligent Mobile Auditor® app makes it easy to conduct responsible sourcing audits and assessments.

2 The RizePoint Management Console allows you to manage every aspect of your CSR auditing solution from one location.

3 The RizePoint solution includes advanced custom reporting capabilities, so you can always deliver the right information and results to the right people.



2



3

ELEVATE—Gain Instant Access to the People, Expertise, and Resources You Need to Drive CSR Results

Through an extensive geographic footprint, ELEVATE actively works with tens of thousands of factories and workers around the world to improve CSR performance, lower compliance risks, drive transparency, and deliver maximum return on CSR investments. With a team of proven and experienced CSR professionals—including local experts and auditors who understand the nuances of specific regions and cultures—the ELEVATE team can offer your business the carefully customized resources you need to implement a successful, best practice CSR program across your entire supply chain. This includes:



GLOBAL SOCIAL & ENVIRONMENTAL ASSESSMENTS

to help you achieve compliance and identify specific regional CSR trends, challenges, and requirements that affect your supply chains around the world.



FACTORY PERFORMANCE IMPROVEMENT SERVICES

to help your factories and suppliers establish the awareness, capacity, and tools to make continuous CSR improvements.



CONSULTING SERVICES to help you develop your social responsibility strategies and programs, including codes of conduct, guidelines, policies and procedures, handbooks, and more, all based on ELEVATE's in-factory data analytics.



PROGRESS REPORTING to satisfy demands for public reporting on responsible sourcing progress, such as the UK Modern Slavery Act and the increasingly large numbers of brands that are disclosing their key suppliers.



PROFESSIONAL AUDITING SERVICES to provide consistent, detailed, and unbiased ongoing assessments of all the facilities that make up your global supply chain.



TRAINING SERVICES to address specific CSR needs or gaps anywhere in the world for brands and retailers, suppliers and factory workers, including an acclaimed eLearning system which has administered over 80,000 lessons to date.



DEVELOPMENT SERVICES to support sustained change by actively engaging with global development projects to complement the efforts of your business.





Start Building a More Responsible and Compliant Global Supply Chain Today

Working together, RizePoint and ELEVATE are uniquely qualified to deliver the integrated expertise, resources, and advanced technology you need to turn corporate social responsibility into a powerful tool for lowering business risks, protecting your reputation, and driving new business value.

Visit rizepoint.com/csr or call **888-313-7095** to learn more.