

Policy Research Alert

FROM FLASH-IT, A DISSEMINATION PROJECT RELATING EUROPEAN POLICY PRIORITIES TO EU-FUNDED RESEARCH IN SOCIO-ECONOMIC SCIENCES AND HUMANITIES

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Corporate Social Responsibility: What's the Impact?

CSR has been gaining relevance in Europe for over a decade. But there is still no commonly accepted method for assessing its effectiveness. An EU-funded research project is providing some much-needed measurement tools.

Combining the expertise of 16 leading research institutions, the *csr-IMPACT*¹ project is the European Commission's largest ever knowledge development initiative on CSR. The project is helping to address the need for an empirical approach for measuring the impact of CSR policies and actions.

Given the growing amount of public attention paid to corporate social responsibility in recent years, it is surprising how little evidence has been produced to demonstrate its effectiveness. CSR policies and practices are assumed to positively affect company performance, societal well-being and the environment among other things. Yet empirical data on the subject is hard to come by. To help fill this knowledge gap, the researchers involved in *csr-IMPACT* have used a variety of new and existing tools to measure CSR impacts in three broad dimensions:

1. Economic (including quality of jobs and environmental impact)
2. Geographic (international, national, regional, municipal)
3. Sectoral (automotive, retail, ICT and textiles)

With some CSR data on large corporations already available from third-party sources, *csr-IMPACT* has directed its attention toward small and medium-sized enterprises. In doing so the project has produced one of Europe's largest CSR databases on SMEs.

The researchers placed particular emphasis on engaging directly with the companies they examined. European SMEs that completed the project's survey were given personalized feedback reports. The reports contained econometric analyses and comparative information regarding CSR policy drivers and outcomes of various CSR measures. It's hoped the reports will help companies more effectively assess the strengths and weaknesses of their own CSR policies.

csr-IMPACT will present its conclusions at a final conference in Brussels on September 17 & 18. Interested parties are invited to register for the conference on the project website: www.csr-impact.eu

¹ Impact measurement and performance of CSR