

## Companies struggle with corporate social responsibilities

Bette Stallman Brown

Under increasing pressure from investors and other stakeholders, companies worldwide are attempting to improve their social and environmental performance and disclosure. But many firms considering corporate social responsibility (CSR) do so without guidance from their boards of directors.

In a recent report, *The role of the Board of Directors in corporate social responsibility*, The Conference Board of Canada (Ottawa, Canada) and Strandberg Consulting (Burnaby, Canada) examine the development of board-level CSR oversight by firms in Canada and elsewhere. Motivated by previous research suggesting that CEO- and board-level commitment are critical to improvements in firms' CSR performance, Coro Strandberg, principal of Strandberg Consulting and the report's author, conducted interviews with CSR and governance

thought leaders and 18 directors of publicly traded companies whose boards address CSR. She also reviewed the literature on CSR governance trends and theories.

"Over time, the business case of corporate social and environmental responsibility has become more and more evident", Strandberg says. Furthermore, "institutional investors...are coming to understand that the [long-term] performance of their investment is dependent on the firm's sustainability performance, so they're becoming drivers of board-level consideration of sustainability."

Pressure from investors for CSR is apparent from a recent Ceres (Boston, MA) analysis, showing that shareholders filed a record 57 climate-related resolutions with US companies (up from 43 such resolutions in 2007 and 10 a decade ago), as well as 26 resolutions seeking sustainability reporting by firms. Many of these resolutions were withdrawn when firms responded with climate- or disclosure-related commitments, Ceres reports.

Boards examined by Strandberg provided guidance on CSR performance among companies, but "it was less common that the board had responsibility over sustainability reporting, which is still deemed to be the purview of management. Results were mixed in terms of the degree to which sustainability was a factor in setting business strategy", she says. Also, most boards did not try to recruit directors familiar with sustainability practices.

Having uncovered a fairly common process for the development of CSR governance in these firms, Strandberg developed a roadmap for the establishment of board-level CSR oversight. Key factors include the integration of CSR into a firm's business strategy, board oversight of CSR performance, CSR considerations for CEO recruitment and compensation, and board involvement in sustainability reporting.

"My interest in conducting this study was to see if we can't redefine good corporate governance to include a CSR role of the board", Strandberg concludes. ■

## Circle hooks snag fewer sea turtles

Pete Mooreside

Marine turtles accidentally captured in long-line fisheries may have a better chance of surviving the encounter, thanks in part to a special hook. Based on a 4-year study of artisanal fishers in the eastern tropical Pacific Ocean, a joint report by the World Wildlife Fund (WWF) and the Inter-American Tropical Tuna Commission indicates that fish catch rates from one fishery (tuna, billfishes, and sharks) did not decrease when circle hooks – which are known to be more "turtle friendly" – were used instead of standard J hooks.

So, how do circle hooks lower bycatch-related mortality? "Circle hooks are usually wider than J hooks, which makes them difficult to swallow", explains Moises Mug (WWF/



Circle hooks can reduce sea turtle bycatch.

Latin America and Caribbean Sustainable Fisheries Program, San José, Costa Rica), lead author of the report. "Also, because the circle hook's point is perpendicular to its shank, most hookings – of both fish and turtles – occur in the mouth, so they can be retrieved from the line alive."

Fewer turtles were also caught using circle hooks in the mahi-mahi fishery, but in this case, so were fewer fish. Marine biologist Larry Crowder (Duke University Marine Laboratory, Beaufort, NC) comments on this angling dilemma: "Lost target catch

could discourage fishermen from using this gear, but increased catches could also be problematic if target species are already overfished".

By offering the program's voluntary participants – which included more than 1000 fishers, representing eight countries – an opportunity to assist with turtle conservation, the authors argue that these stakeholders may become increasingly committed to sustainability. The project has also allowed scientists "to build working relationships [with fishers]...and to undertake experiments during their normal fishing operations", says Mug. The researcher's analyses were openly shared with fishermen.

"Cooperative research with fishermen not only tests scientific ideas under realistic conditions, but it also engages those individuals most likely to contribute creatively to solutions – the fishermen themselves", adds Crowder. ■