

8.10: Socially Responsible Supply Chain Management

Main areas of social responsibility in supply chains are:¹

- Organizational practices
- Ethical practices
- Environmental practices
- Practices of human rights and working conditions
- Practices of occupational health and safety
- Practices to establish relationship with society

The following table² summarizes activities and practices considered good examples for the CSR areas listed above.

Relevant CSR Areas	Sample Practices
Organizational Practices	<ul style="list-style-type: none"> • Determining CSR goals for purchasing function • Determining and defining roles and responsibilities of human resources related to CSR in logistics • Providing relevant training in CSR to the suppliers • Sharing of CSR activities and practices with all relevant stakeholders • Implementing a mechanism to receive feedback from stakeholders regarding CSR practices
Ethical Practices	<ul style="list-style-type: none"> • Not accepting gifts, free services, etc. from suppliers (especially during supplier selection process) • Not creating illegitimate pressures on suppliers • Not sharing price and service information about suppliers with other irrelevant stakeholders • Not favoring any particular supplier just because of managers' preferences and assuring a fair selection process • Assuring all departments meet ethical standards in independent purchasing process • Not creating illegitimate advantage in competition by using contract items • Not giving out wrong information on purpose • Not using specific items pointing out specific suppliers in contracts
Environmental Practices	<ul style="list-style-type: none"> • Purchasing and using recycled materials for packaging • Supporting and encouraging suppliers on reducing waste (especially hazardous waste) • Putting special emphasis on producing recyclable and reversible materials in production and design • Meeting standards for protecting environment in the processes of lifecycle management, production, packaging and storing • Supporting suppliers to implement processes that are appropriate for sustainable environmental protection

Relevant CSR Areas	Sample Practices
Practices of human rights and working conditions	<ul style="list-style-type: none"> • Not keeping some suppliers out of cycle, just because they have managers from different backgrounds • Having procedures and also having mechanisms to monitor providing equal opportunity for each employee working in all supplier companies • Having appropriate procedures in place to assure that all employees can benefit from all their legal rights, are working in accordance with rules, regulations and national/ international standards • Assuring that physical and psychological working conditions comply with all rules and regulations in place
Practices of occupational health and safety	<ul style="list-style-type: none"> • Having appropriate procedures in place to assure that working conditions do not jeopardize human health and safety • Assuring that all safety, security and protection measures are in place for all activities • Having procedures in place to assure that sensitive and delicate products are stored under appropriate conditions
Practices to establish relationship with society	<ul style="list-style-type: none"> • Developing and carrying out programs for training and development of local suppliers • Actively participating into and organizing non-for-profit social activities, such as volunteer work, charities, public auctions, etc. • Supporting sport activities and public education

Among those aforementioned activities, ensuring that all activities and functions comply with national / international rules, regulations and standards and working with suppliers that fulfill same requirements constitute the most important factors for CSR in supply chains. This issue is also important to stay competitive in market and to have a sustainable growth in terms of strategic perspective.

Video: Business is about purpose



References

1. Carter, C.R., Jennings, M.M. (2002). Logistics Social Responsibility: An Integrative Framework. Journal of Business Logistics, 23(1), 145-180 [↩](#)
2. Ciliberti, F., Pontrandolfo, P., Scozzi, B. (2008). Logistics Social Responsibility: Standard Adoption and Practices in Italian Companies. International Journal of Production Economics, 113, 88-106. [↩](#)

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