

Does CSR pay off?

High-caliber panel debates the topic at the Novomatic Forum.

Vienna, 2 December 2015 – On 1 December 2015, the NOVOMATIC Stakeholder Dialog was held in the attractive ambiance of the Novomatic Forum in Vienna. The event was hosted by NOVOMATIC in collaboration with respACT, the Austrian Business Council for Sustainable Development.

Not least because of a recently published article ("The CSR Lie"), there has been a lot of buzz about corporate social responsibility (CSR) as a so-called "marketing fig-leaf". A high-caliber discussion panel with international participants, including Prof. Katja Rost of the University of Zurich, took the podium at the NOVOMATIC Stakeholder Dialog and discussed the demonstrable pros and cons of CSR with regard to the success of a company.

The questions of the interested audience were answered by Dr. Monika Poeckh-Racek, Head of Group CSR at NOVOMATIC and hostess of the event, as well as Prof. Katja Rost from the University of Zurich who just recently published a paper according to which there is no scientific evidence that CSR has a positive impact on corporate success. The other participants in the panel discussion included Prof. Dr. Franz-Josef Radermacher from the University of Ulm, a member of the Club of Rome, as well as Dr. Fred Luks from the Competence Center for Sustainability at the Vienna University of Economics and Business, Dr. Christine Jasch, Head of Climate Change and Sustainability Services at Ernst & Young and a member of the jury for the ASRA-Awards, entrepreneur and president of the Julius-Raab-Stiftung Bettina Lorentschtsch and Christine Vieira Paschoalique, Corporate Sustainability Officer at Wienerberger AG.

In the conclusion Dr. Fred Luks concisely summarized the key findings of the decidedly controversial and highly fascinating discussions as "'stone age' CSR which does not pay off and modern CSR which does indeed deliver tangible benefits". This statement was based on the insight that, from a long-term perspective, CSR that is credibly integrated with a company's core business can and does indeed contribute to the company's success. 'Stone age CSR' on the other hand refers to unstructured individual activities that do not (and cannot) have any long-term impact.

Following the panel discussion, small groups under the expert guidance of the panel discussion participants formed "World Cafés" to brainstorm individual aspects of CSR. Under the guidance

of Dr. Christine Jasch and Christine Paschoalique, the "11 deadly sins of CSR" were identified. Among others, these include the use of 'sustainability cloud formations', as well as the truly inflationary use of the term 'sustainability' itself. The results developed by the panel discussion as well as the three World Cafés will gladly be provided upon request.

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