

# Part 3: Role of NGOs, CMAs in CSR & CSR impact Dimensions

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# The Role of NGOs in CSR

(click on the video., video length: approximately 5 minutes)



# The Role Played by ICAI (Institute of Cost Accountants of India).

**Guidance Note  
On  
Treatment of Costs Relating to Corporate  
Social Responsibility (CSR) Activities**

<https://icmai.in/upload/CASB/GN-Treatment-CSR.pdf>



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➔ Exposure Draft-Guidance Note on Treatment of Costs Relating to CSR Activities by Institute of Cost Accountants of India (2014)

Exposure Draft-Guidance Note on Treatment of Costs Relating to CSR Activities by Institute of Cost Accountants of India (2016)

<https://abcaus.in/cma/draft-guidance-note-treatment-of-costs-relating-to-csr-activities-icwa.html>

# Getting a job in CSR & Sustainability

(click on the video)





# The Role of CMAs in Corporate Social Responsibility and Sustainability.

Corporate Social Responsibility (CSR) and sustainability have become increasingly important in today's business world. As companies strive to become more socially responsible and sustainable, the role of CMAs in supporting and driving these efforts has become essential. In this, we will explore the role of CMAs in CSR and sustainability.

## 1. Establishing and Reporting on Sustainability Metrics

CMAs play a critical role in establishing and reporting on sustainability metrics. They can help organizations develop a framework for measuring and reporting sustainability performance. By establishing key performance indicators (KPIs) and measuring progress against them, organizations can identify areas for improvement and track their sustainability progress over time.

## 2. Assessing the Impact of Business Activities

CMAs can also help organizations assess the impact of their business activities on the environment and society. They can conduct environmental and social impact assessments and identify ways to mitigate negative impacts. They can also identify opportunities to create positive impacts, such as through community engagement and philanthropic initiatives.

# The Role of CMAs in Corporate Social Responsibility and Sustainability.

## 3. Managing Risk and Ensuring Compliance

CMAs can help organizations manage risk and ensure compliance with environmental and social regulations. They can provide guidance on regulatory requirements and help organizations implement policies and procedures to ensure compliance. They can also identify potential risks and develop strategies to mitigate them.

## 4. Advising on Sustainability Strategy

CMAs can advise organizations on sustainability strategy. They can help organizations develop a sustainability vision and set goals to achieve it. They can also provide guidance on sustainability best practices and identify opportunities for innovation and improvement.

## 5. Supporting Corporate Social Responsibility Initiatives

CMAs can support corporate social responsibility initiatives by providing financial expertise and support. They can help organizations develop and implement social and environmental programs, such as employee volunteer programs and sustainability reporting. They can also provide financial analysis and support for social and environmental investments.

# The Role of CMAs in Corporate Social Responsibility and Sustainability.

## 6. Advocating for Change

CMAs can advocate for change in the business world. They can use their expertise to educate organizations and stakeholders about the importance of sustainability and corporate social responsibility. They can also advocate for policy changes and encourage companies to adopt more sustainable practices.

In conclusion, the role of CMAs in CSR and sustainability is critical. They can help organizations establish and report on sustainability metrics, assess the impact of business activities, manage risk and ensure compliance, advise on sustainability strategy, support CSR initiatives, and advocate for change.

By working collaboratively with other professionals and stakeholders, CMAs can help drive positive change and build a more sustainable future.

# How to report sustainability matrix in CSR?

Reporting on sustainability matrices is an important part of communicating a company's corporate social responsibility (CSR) efforts. Here are some steps to report the sustainability matrix in CSR:

1. **Purpose and Background:** Begin by providing an overview of your company's CSR initiatives and why you use a sustainability matrix to measure and track sustainability performance. Explain the importance of embedding sustainability into your business strategy.
2. **Scope and Methodology:** Describe the scope and boundaries of your sustainability matrix. This could include the environmental, social, and economic aspects that are considered and the industries, products, or geographies covered. Explain the methodology used to develop the matrix, including data collection, metrics, and assessment process.
3. **Materiality Assessment:** Discuss the process of identifying and prioritizing material issues for your business. Explain how you determine which issues are most significant and relevant to your stakeholders, and how these factors influence the sustainability matrix.
4. **Key Performance Indicators (KPIs):** Present the KPIs that are included in your sustainability matrix. These may range from specific environmental indicators (e.g., greenhouse gas emissions, water usage) to social indicators (e.g., employee diversity, community investment). Explain why these KPIs are chosen and how they contribute to measuring sustainability performance.
5. **Reporting Period:** Specify the reporting period covered by the sustainability matrix. This could be annually or over a specific timeframe. Consistency in reporting allows for year-on-year comparison and trend analysis.



# How to report sustainability matrix in CSR?

6. Results and Targets: Present the results of your sustainability performance against the identified KPIs. Include both quantitative data (e.g., actual figures, percentages) and qualitative information (e.g., case studies, initiatives). Highlight achievements, challenges, and areas for improvement. Establish future targets to demonstrate progress and commitment to continuous improvement.

7. Disclosure and Assurance: Be transparent about the data sources, calculation methods, and any limitations or assumptions made in compiling the sustainability matrix. If available, provide external assurance statements to increase credibility and trust in the reported information.

8. Engagement and Stakeholder Feedback: Discuss how stakeholders are engaged in the development and review of the sustainability matrix. Explore any feedback received from stakeholders and explain how this feedback has shaped your CSR strategy and reporting process.

9. Integration and Alignment: Demonstrate how the sustainability matrix aligns with broader sustainability frameworks or reporting standards such as the Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), or the United Nations Sustainable Development Goals (SDGs). Show how the matrix is integrated into the overall CSR strategy and decision-making process.

10. Best Practices and Lessons Learned: Share best practices and lessons learned from implementing the sustainability matrix. Highlight initiatives that have delivered positive impact and value, and lessons learned from any challenges faced during the reporting period.

Remember to structure the report in a clear and concise manner, using visuals such as graphs, charts, and infographics to enhance understanding. Also, tailor the report to the target audience, ensuring it is accessible and engaging for different stakeholders.

# Role of CMAs in establishing and reporting sustainability matrix?

Certified Management Accountants (CMAs) can play a significant role in establishing and reporting on a sustainability matrix. Here are some ways in which CMAs can contribute:

1. **Designing the Matrix:** CMAs can contribute to the design and development of the sustainability matrix by leveraging their financial expertise and understanding of key performance indicators (KPIs). They can help identify relevant financial, environmental, and social metrics that align with business objectives and stakeholder expectations.
2. **Financial Analysis:** CMAs can analyze the financial implications of sustainability initiatives and help integrate them into the overall business strategy. They can assess the costs and benefits of sustainability efforts and identify opportunities for cost savings or revenue generation through sustainable practices. This analysis can be incorporated into the sustainability matrix to provide a comprehensive view of the financial impact of sustainability measures.
3. **Data Collection and Analysis:** CMAs can assist in collecting and analyzing the necessary data to populate the sustainability matrix. They can ensure data accuracy, completeness, and consistency, and help establish appropriate data collection systems and processes. CMAs can also analyze the data to identify trends, evaluate performance against targets, and identify areas for improvement.
4. **Performance Measurement and Reporting:** CMAs have expertise in performance measurement and reporting. They can apply their skills to ensure that the sustainability matrix provides meaningful and reliable information on sustainability performance. CMAs can develop performance metrics, establish benchmarks, and create frameworks for tracking progress. They can also help in preparing clear and concise reports that communicate the sustainability performance to stakeholders effectively.

# Role of CMAs in establishing and reporting sustainability matrix?

5. Risk Assessment: CMAs can contribute their risk management expertise to assess the potential risks and opportunities associated with sustainability initiatives. They can identify and analyze the financial, operational, and reputational risks relevant to sustainability efforts. CMAs can also help in developing strategies to mitigate risks and capitalize on opportunities, which can be integrated into the sustainability matrix.

6. Compliance and Standards: CMAs can ensure that the sustainability matrix aligns with relevant sustainability reporting frameworks, guidelines, and standards such as GRI, SASB, or ISO 14001. They can provide guidance on regulatory requirements and reporting obligations, ensuring that the matrix meets legal and industry standards.

7. Continuous Improvement: CMAs can analyze the sustainability matrix in-depth to identify areas for continuous improvement. They can help identify gaps, inefficiencies, or areas where the matrix can be enhanced to provide more accurate and meaningful information. CMAs can also recommend improvements to data collection and reporting systems to ensure ongoing accuracy and relevance.

Overall, CMAs can bring financial acumen, analytical skills, and a strategic perspective to establish and report on the sustainability matrix. Their insights and expertise can contribute to the credibility and effectiveness of sustainability reporting, supporting organizations in their CSR efforts and decision-making.

# Role of CMAs in assessing the impact of CSR on business activities

Certified Management Accountants (CMAs) play a crucial role in assessing the impact of corporate social responsibility (CSR) on business activities. Here are some ways CMAs can contribute:

1. **Cost-Benefit Analysis:** CMAs can conduct cost-benefit analysis to evaluate the financial impact of CSR initiatives on business activities. They can assess the costs involved in implementing CSR programs and compare them to the potential benefits, such as improved brand reputation, customer loyalty, employee engagement, and operational efficiencies. By analyzing the financial implications, CMAs help organizations make informed decisions regarding CSR investments.
2. **Performance Measurement:** CMAs excel in performance measurement and can help establish key performance indicators (KPIs) for CSR activities. They can design metrics to track the impact of CSR on various business areas, such as financial performance, customer satisfaction, employee productivity, and environmental sustainability. By measuring and analyzing these outcomes, CMAs provide valuable insights into the effectiveness of CSR initiatives and their influence on overall business activities.
3. **Integrated Reporting:** CMAs can contribute to the development of integrated reporting frameworks that incorporate both financial and non-financial information. They can help organizations integrate CSR-related data into their financial reporting processes, providing a comprehensive picture of the impact of CSR on business activities. This integrated approach helps stakeholders understand the value generated by CSR efforts beyond traditional financial metrics.

# Role of CMAs in assessing the impact of CSR on business activities

4. Risk Assessment: CMAs can assess the potential risks and opportunities associated with CSR activities. They can identify and analyze financial, operational, and reputational risks related to CSR initiatives. By evaluating these risks, CMAs help organizations develop strategies to mitigate negative impacts and seize opportunities to align CSR activities with business objectives.

5. Sustainability Reporting: CMAs can assist in the development of sustainability reports that communicate the impact of CSR on business activities to stakeholders. They can ensure that reporting follows recognized frameworks such as GRI or SASB, providing consistent and comparable information. CMAs can also ensure the accuracy and reliability of sustainability data by establishing appropriate data collection and reporting systems.

6. Ethical Analysis and Compliance: CMAs are well-equipped to assess the ethical implications of business activities influenced by CSR. They can help organizations identify ethical considerations associated with CSR initiatives and navigate related challenges. CMAs can also ensure that CSR activities comply with relevant laws, regulations, and industry standards.

7. Strategic Alignment: CMAs contribute their strategic expertise to align CSR activities with overall business strategies. They can analyze how CSR initiatives align with organizational goals, identify areas of synergy, and recommend adjustments to improve alignment.

CMAs ensure that CSR activities are integrated into the broader strategic planning process, leveraging their strategic insight to maximize the positive impact of CSR on business activities. CMAs bring financial acumen, analytical skills, and a holistic view to assess the impact of CSR on business activities. They help organizations understand the financial, operational, and other implications of CSR, which enables effective decision-making and more sustainable business practices.



# CMA's role in managing risks and ensure compliances

Certified Management Accountants (CMAs) can play an essential role in managing risks and ensuring compliance in the context of corporate social responsibility (CSR). Here's how CMAs can effectively fulfill this role:

1. **Risk Identification:** CMAs can help identify and assess risks associated with CSR initiatives. They can work with various stakeholders to identify potential risks that may arise from CSR activities, such as reputational risks, compliance risks, or operational risks. CMAs can use their financial expertise to analyze data, conduct risk assessments, and identify areas of vulnerability.
2. **Risk Mitigation Strategies:** CMAs can develop risk mitigation strategies specific to CSR activities. They can collaborate with stakeholders to design controls and processes that minimize the likelihood and impact of risks. CMAs can assist in developing risk response plans, ensuring that effective measures are in place to manage and mitigate identified risks throughout the CSR initiatives.
3. **Compliance Monitoring:** CMAs can help establish compliance monitoring systems to ensure adherence to relevant laws, regulations, and guidelines related to CSR. They can assist in establishing control frameworks, monitoring processes, and reporting mechanisms to track compliance. CMAs can also help the organization stay updated on regulatory changes and ensure alignment with evolving compliance requirements.
4. **Reporting and Disclosure:** CMAs can contribute to CSR reporting and disclosure processes. They can assist in the collection, analysis, and verification of data and information to be included in CSR reports. CMAs can help ensure that the reports are accurate, complete, and in compliance with relevant reporting frameworks, such as GRI or SASB. They can also provide guidance on the appropriate formats and structures for reporting CSR performance.

# CMA's role in managing risks and ensure compliances

5. Stakeholder Engagement: CMAs can contribute to stakeholder engagement efforts related to CSR. They can help identify and prioritize stakeholders, manage communication channels, and gather feedback on CSR initiatives. CMAs can also assist in addressing stakeholder concerns, ensuring transparency, and building trust through effective communication and reporting.

6. Performance Measurement: CMAs can assist in establishing key performance indicators (KPIs) and metrics to measure and monitor the impact of CSR initiatives. They can develop frameworks to track progress, evaluate performance against targets, and identify areas for improvement. CMAs can analyze and interpret performance data to assess the effectiveness of CSR activities and provide insights for decision-making.

7. Assurance and Verification: CMAs can support assurance and verification processes for CSR reporting. They can assist in coordinating external audits or reviews to verify the accuracy and reliability of CSR data and reporting. CMAs can ensure compliance with assurance standards and help address any identified gaps or issues.

8. Continuous Improvement: CMAs can contribute to the continuous improvement of CSR-related risk management and compliance processes. They can conduct regular reviews and evaluations of existing controls and procedures, identify areas for enhancement, and recommend improvements. CMAs can also stay updated with emerging trends, best practices, and regulatory changes in the field of CSR, providing guidance on staying ahead of risks and compliance requirements.

By leveraging their financial expertise, analytical skills, and understanding of organizational operations, CMAs can support effective risk management and compliance in the context of CSR. They contribute to the organization's sustainable and responsible practices, ensuring that risks are identified, addressed, and minimized, while compliance obligations are met.

# The role that CMAs can play by collaborating with NGOs and Corporates in CSR initiatives

Certified Management Accountants (CMAs) can collaborate with non-governmental organizations (NGOs) and corporates to support CSR initiatives in several ways. Here are some ways CMAs can contribute to effective collaboration:

1. **Financial Management:** CMAs can provide financial expertise and guidance to NGOs and corporates in managing their financial resources more effectively. They can assist with budgeting, cost control, financial analysis, and planning for CSR initiatives. CMAs help ensure that limited resources are allocated efficiently to maximize the impact of CSR activities.
2. **Reporting and Performance Measurement:** CMAs can assist NGOs and corporates in developing reporting frameworks and performance metrics to measure the impact of CSR initiatives. They can provide guidance on data collection, analysis, and reporting processes to ensure transparency and accountability. CMAs can help analyze and interpret the financial and non-financial data to support evidence-based decision-making and demonstrate the value generated from CSR efforts.
3. **Stakeholder Engagement:** CMAs can contribute to stakeholder engagement strategies of NGOs and corporates. They can assist in identifying key stakeholders, mapping their interests, and developing communication plans. CMAs can help generate meaningful dialogue and collaborations between NGOs, corporates, and stakeholders to address societal challenges effectively.
4. **Risk Management and Compliance:** CMAs can help NGOs and corporates in assessing and managing risks associated with CSR initiatives. They can collaborate in identifying potential risks, developing risk mitigation strategies, and establishing control mechanisms. CMAs ensure that CSR activities are aligned with legal requirements, regulatory frameworks, and industry standards, enhancing compliance and reducing potential legal and reputational risks.

# The role that CMAs can play by collaborating with NGOs and Corporates in CSR initiatives

5. **Impact Assessment:** CMAs can assist in measuring and assessing the social and financial impact of CSR initiatives. They can support the development of impact evaluation methodologies, data collection, and analysis. CMAs contribute their analytical skills to help quantify and qualify the outcomes and benefits of CSR initiatives, improving the effectiveness and accountability of ongoing efforts.

6. **Capacity Building:** CMAs can provide training and capacity-building support to NGOs and corporates on financial management, reporting practices, and performance measurement related to CSR. They can offer workshops, webinars, or coaching sessions to enhance the financial skills and knowledge of staff involved in CSR initiatives, ensuring better understanding and implementation of financial management practices.

7. **Collaboration in Project Implementation:** CMAs can collaborate with NGOs and corporates during the implementation of CSR projects. They can provide financial insights and analysis to support decision-making, monitor project progress, and evaluate financial sustainability. CMAs can also assist in aligning project objectives with the overall CSR strategy for better integration and impact.

8. **Ethical and Sustainable Practices:** CMAs can promote ethical and sustainable practices within the collaboration between NGOs and corporates. They can provide guidance on responsible finance, the incorporation of sustainability considerations, and the integration of ethical behavior into decision-making processes. CMAs can help shape the collaboration to ensure long-term sustainability and positive social impact.

By leveraging their financial expertise, analytical skills, and understanding of organizational needs, CMAs can actively collaborate with NGOs and corporates to support and enhance the effectiveness of CSR initiatives. Their contributions help drive positive change, strengthen partnerships, and ensure efficient use of resources for sustainable and impactful CSR outcomes.

# CMAAs as advocates for change through CSR

Certified Management Accountants (CMAAs) can act as advocates for change through corporate social responsibility (CSR) initiatives in various ways. Here's how CMAAs can contribute as advocates for change:

1. **Promoting Ethical Conduct:** CMAAs can advocate for ethical conduct within organizations by championing the importance of CSR. They can educate stakeholders about the positive impact of ethical practices on the organization, its employees, customers, and the community. CMAAs can advocate for the adoption of ethical codes, guidelines, and policies that drive responsible decision-making and behavior.
2. **Influencing Strategy and Decision-Making:** CMAAs can advocate for CSR to be integrated into the organization's strategic planning and decision-making processes. They can highlight the potential long-term benefits of CSR initiatives and advocate for their inclusion in the organization's goals and objectives. CMAAs can leverage their financial expertise to demonstrate the value of CSR in terms of financial performance, risk management, and stakeholder satisfaction.
3. **Raising Awareness:** CMAAs can raise awareness about social and environmental issues and the role of CSR in addressing them. They can educate stakeholders, both within the organization and externally, about the importance of CSR and its potential to contribute to positive change. CMAAs can use their communication skills to share success stories, case studies, and empirical evidence that demonstrate the benefits of CSR in driving social, environmental, and economic progress.
4. **Collaboration and Partnerships:** CMAAs can advocate for collaboration and partnerships between organizations and external stakeholders to address societal challenges. They can encourage organizations to collaborate with NGOs, government agencies, and local communities to implement impactful CSR initiatives. CMAAs can help foster dialogue, build bridges between different sectors, and facilitate the sharing of resources and expertise.



# CMAAs as advocates for change through CSR

5. **Advocacy for Reporting Standards:** CMAAs can advocate for the use of recognized reporting frameworks, such as the Global Reporting Initiative (GRI) or Sustainability Accounting Standards Board (SASB), to ensure transparency and comparability in CSR reporting. They can promote the adoption of consistent reporting standards, enabling stakeholders to better understand and evaluate the organization's CSR performance.

6. **Influencing Investor Decision-Making:** CMAAs can advocate for the inclusion of CSR factors in investment decision-making. They can promote the integration of environmental, social, and governance (ESG) criteria in investment analysis, encouraging investors to consider the positive social and environmental impact of organizations. CMAAs can educate investors about the financial implications of CSR and how it can contribute to long-term sustainable returns.

7. **Thought Leadership and Research:** CMAAs can contribute to thought leadership and research on CSR. They can conduct studies, publish articles, and participate in conferences or forums to share insights on the role of CSR in driving positive change. CMAAs can leverage their analytical skills to assess the impact of CSR initiatives and identify best practices, ultimately informing policies and strategies that promote responsible business practices.

CMAAs, as advocates for change through CSR, can drive transformation within organizations and promote responsible practices that positively impact society and the environment. Their financial expertise, ethical conduct, and understanding of how CSR aligns with business objectives enable them to effectively advocate for change and drive sustainable and responsible business practices.

# CSR Impact Dimensions (click on the video)



# CSR Impact Dimensions -Ratan Tata on the role of corporate social responsibility in India

(click on the video., video length: approximately 2.12 minutes)





**End of Part-3**

**Thanks for your patient listening!**

**Now the floor is open for Q&A???**

**Series on CSR Complete!**