

# The right thing to do

A study by Walker Research found that when price and quality are equal, 76% of consumers would switch brands or retailers if a company is associated with a good cause.

**Dr Fatih Mehmet Gul** reports.

All stakeholders in the healthcare sector (medical equipment manufacturers, pharmaceutical companies, hospitals, etc.) have a responsibility to contribute to the wellbeing of society through the improvement of healthcare. They can fulfill these responsibilities in a structured way by following the principles of Corporate Social Responsibility (CSR).

It has been shown that CSR is hugely beneficial to the long-term prosperity of companies as it provides the opportunity to put a human face to the cold, clinical reality of business processes. By embracing CSR, companies also establish a vital link to society in general, and to their local communities in particular.

The principles of CSR revolve around how a business aligns its values and behaviour with the expectations and needs of its wider network of stakeholders – not only customers and

investors, but also employees, suppliers, communities, regulators, special interest groups and society as a whole.

Embracing CSR involves considerable planning around key issues such as governance, responsible sourcing, eco-efficiency, environmental management, stakeholder engagement, labour standards, employee and community relations, social equity and human rights.

For any company, developing (and communicating) a comprehensive CSR strategy takes time, commitment, focus, designated people and financial resources. Additionally, it requires commitment from the executive offices and across every department and staff position. To be truly effective, a company's CSR strategy must permeate all that it does – from hiring to branding, from manufacturing to sales. It must become part a company's "corporate DNA".

It has been shown that through an effective CSR programme, companies can:

- improve their access to capital
- enhance their brand image
- increase sales
- attract, retain, motivate and develop employees
- sharpen decision-making
- improve risk management
- reduce costs.

Healthcare companies, in particular, should focus on the needs of community, environment, workplace

and the marketplace to plan and operate successful CSR programmes. Closer relationships and familiarisation between the company and its stakeholders will make the business stronger at risk management. It has been shown that companies with responsible business at their core, innovate and develop new products and services, access new markets, recruit a more diverse and talented workforce, and are in a better condition to minimise risk. Risk management skills in the healthcare sector have been identified as the key factor for success.

CSR is not only about fulfilling a duty to society, it can also create competitive advantage. CSR is a key driver of customer loyalty and marketing planners should not forego this important social and business investment.

Some CSR opportunities for the healthcare industry include:

- Using environmental waste control and recycling solutions
- Providing check-up and diagnosis-focused field projects
- Developing training and awareness programmes
- Initiating research and education projects
- Installing satellite or portable rural area clinics
- Choosing suppliers based on their CSR programmes
- Initiating sustainable development programmes

The healthcare industry should be the perfect example of socially respon-

sible business and should lead people and other businesses in the investment in the wellbeing of society.

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