



Corporate Social Responsibility:

# Sustainable Business Models in 2014

On 5 November 2014, the Curaçao Chamber of Commerce and the Association for Industry in Curacao (VBC), held a lecture on Corporate Social Responsibility: Sustainable Business Models in 2014.

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Mr. Willem Jonckheer, President of the Chamber of Commerce, opened the event. He spoke about Curaçao's transition to more sustainable business models, including the

role of the Chamber and VBC in facilitating these processes. Among other things, Mr. Jonckheer referred to the important role of entrepreneurs in the small community of Curaçao. He mentioned the upcoming launch of the Better Business Bureau, which endeavors to use self-regulation by the private sector to ensure compliance in the various areas of Corporate Social Responsibility (CSR). Mr. Jonckheer drew specific attention to rising youth unemployment and the importance of cross-sector approaches to alleviate the problem.

The keynote speaker was Mr. Dr. Jan Peter Balkenende, whom many know as the former Prime Minister of the

Netherlands (2002-2010). Upon stepping down from the position in 2010, Dr. Balkenende has continued to play an active role in Dutch politics. Moreover, as of 2011, Dr. Balkenende joined Ernst and Young as a partner, leading the Dutch Sustainable Growth Coalition.

### Time to Change your Business Model

In the 21st century, doing business is far more complex than it was previously, mostly because companies are now forced to be competitive on an international level. Technology connects citizens all around the world and that means international eyes are on your company all the time. It is for this reason that moving towards policies focused on CSR is also important in Curaçao. Dr. Balkenende discussed moving away from quick-win solutions and moving towards long-term thinking, while focusing on sustainable growth and quantifying improvements.

Today, making a profit no longer means that a company is successful. CEOs should start asking themselves: “How did I make my profit?” in order to make sure that their business is durable and sustainable in the long-term. As explained by Dr. Balkenende, “Sustainability should be at the core of any company wishing to be successful.” Essentially, the alignment of People,

Planet and Profit is an intrinsic part of making your business successful. As he stated, stability is important, and CEOs need to make sure that they are able to make a profit without being at the cost of future generations. By asking this question, companies are able to identify shortcomings in the field, and thus, restructure their business models to ensure sustainability.

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### Business and Government are Synergistic

In addition to the focus on sustainable growth, Dr. Balkenende pointed out that “The business of business is business,” and that essentially, there is nothing wrong with that. This is where collaboration with the government becomes important. In South Korea, the



From left to right: Joop Kusters, VP VBC; Jan Peter Balkenende, Partner Ernst & Young; Lucille George, Governor; Mike Franco, President of Parliament; Billy Jonckheer, President of the Chamber





car industry was failing miserably. In order to revamp it, the government instituted policies that awarded sustainable behavior, making it profitable for companies to start to invest in green technology. This push by the government allowed for the Korean car industry to gather momentum and to eventually be introduced to the international market place.

### Incorporating CSR into Sustainable Models

CSR does not solely equate to giving money to charity, but rather constantly asking whether or not the profit generated by your company harms future generations. CSR also entails ensuring that your company is compliant with all laws and that employees and consumers alike are happy with the way the company functions, as well as the products and services offered. That said, Dr. Balkenende explained the different facets of CSR:

- **Human Rights:** the rights of your employees, but also the rights of the employees of your suppliers and communities that come into regular contact with your business. As a company and a stakeholder in a community, it is important to make sure that the socio-economic and cultural rights of people surrounding your company are not abused.
- **Integrity & Transparency:** the way you operate your company is reflected in how transparently it operates. This basically means that reporting channels are clear and open

and that you are complying to all existing regulations. Your company should also be able to keep all the promises made to any and all third parties.

- **Environmental Sustainability:** Dr. Balkenende referred not only to direct business activities, but that of your suppliers as well. As a business, you should ensure that you keep your carbon footprint to a minimum, while still generating a profit. This is important, because as Dr. Balkenende indicated, success is based on making a profit today, without generating costs to future generations.

### Why Is This Important in Curaçao?

Dr. Balkenende highlighted the fact that Curaçao has plenty of potential, but that people need to want change. With new generations, universities have started educating people on how important it is to make significant changes to the ways our companies operate. In such a small community, it is becoming increasingly important that companies reassess business plans to make them more sustainable and focus not only on the business of business, but the business of our societies, in the present and in the future, as well.