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The Caring Company Scheme: Building a Corporate Social Responsibility Movement in Hong Kong

Bernard Charnwut Chan reflected on his seven years as the Chairperson of The Hong Kong Council of Social Service (HKCSS). HKCSS supported more than 350 non-profit organizations, organizations that delivered more than 90 percent of Hong Kong's social services. A modest man, he still took some satisfaction in the progress that the 62-year-old organization had made under his leadership. Unlike most of the staff at HKCSS, who came from the social welfare sector, he was a leader in both Hong Kong's financial services industry and government. Born and raised in Hong Kong and later educated at Pomona College in California, Chan served as the president of the Asia Financial Group and its subsidiary, the Asia Insurance Company. In January 2008, he was elected to the National People's Congress, the highest organ of state power in China. Looking back on his work with HKCSS, he was convinced that core business principles could be used to strengthen Hong Kong's social service organizations. He also believed that if more businesses partnered with these non-profit organizations, they would be more effective at delivering their services to the people of Hong Kong. These principles guided what became known as the Caring Company Scheme.

Chan worked on the Caring Company Scheme with HKCSS's chief executive Christine Fang Meng Sang, business unit director of sector development and partnership Cliff Choi Kim Wah, and chief officer of sector development and partnership Lois Lam Lee Kwan, (see organizational chart in **Exhibit 1**). The goal of the program was to bridge the divide between Hong Kong's business community and civil society. The group's unique Corporate Social Responsibility (CSR) approach publicly recognized companies that contributed to the betterment of Hong Kong's not-for-profit community. The number of so-recognized companies grew from 259 in 2002 to 1,765 in 2009. On the surface, the program appeared to be a great success. Nevertheless, Chan wondered whether the program's standards for recognition were too loose and whether their singular focus on a company's positive deeds had moved from being an inspired idea to an over-simplified one. He would never have dreamed seven years ago that he would one day write an article for the *South China Morning Post* entitled "Don't Confuse Business with Welfare" but he was reading that very article in the February 27, 2009 edition (see **Exhibit 2**). While the Caring Company Scheme had been designed to "encourage corporations to take the first steps towards CSR," it was now being criticized for being too narrow in its requirements and rewarding companies that were under scrutiny for their questionable labor practices … and worse.

Chan's newspaper article addressed the controversy that followed HKCSS's recent celebration of a company for its "caring spirit" on the exact day that it was being picketed by its employees for contemplating layoffs

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