

# Corporate Social Responsibility

## Whose job is it anyway?

**Lisa Homer, APR**

President

2004

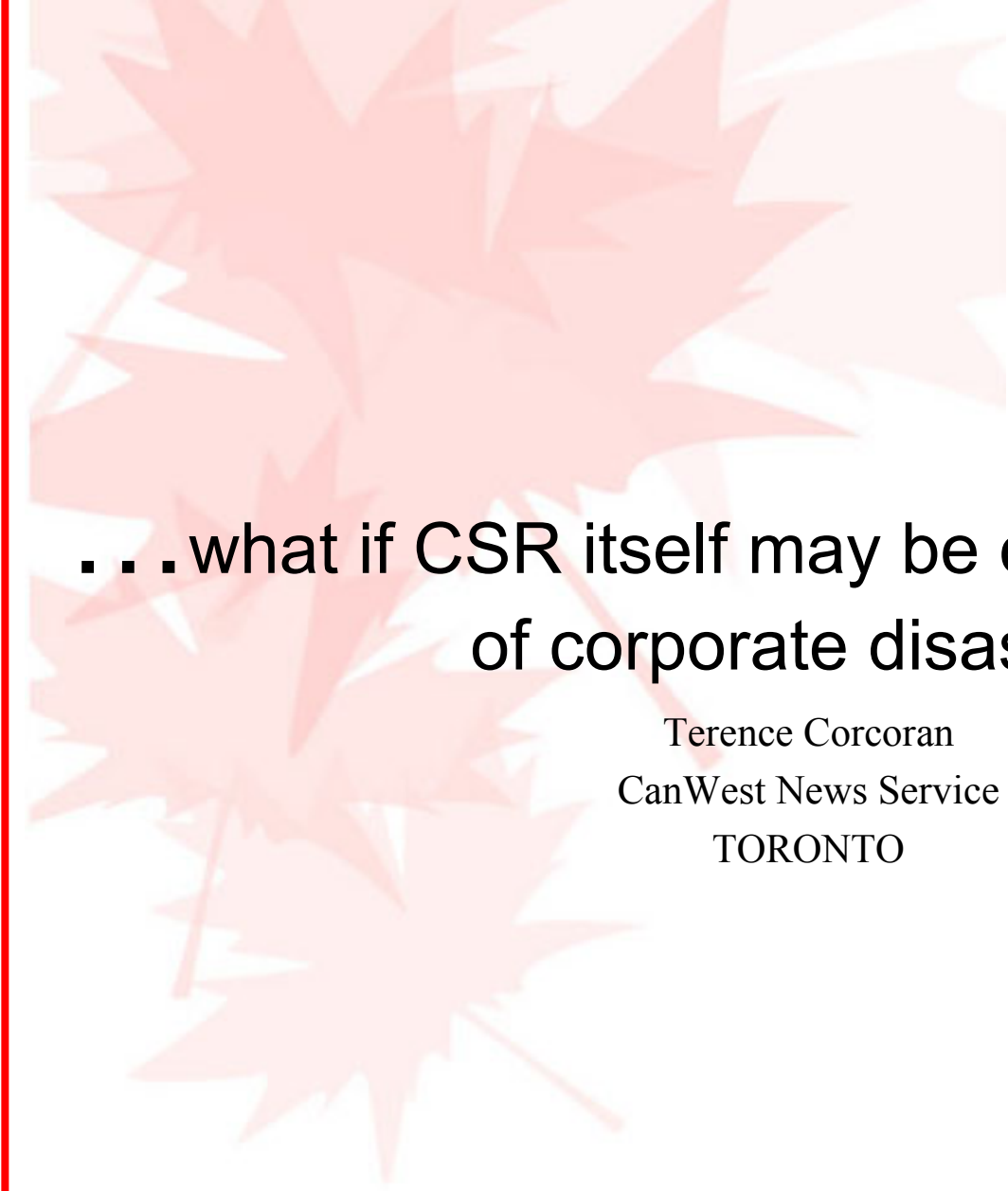


**The Canadian Public  
Relations Society, Inc.**

**La Société canadienne  
des Relations publiques, Inc.**

# Content

- **Corporate Social Responsibility**
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- **The role of The Canadian Public Relations Society**
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... what if CSR itself may be one of the causes  
of corporate disaster?

Terence Corcoran  
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# Definition -- CSR

- *CSR is the overall relationship of the corporation with all of its stakeholders...elements of social responsibility include investment in community outreach, employee relations, creation and maintenance of employment, environmental responsibility, human rights and financial performance.*
- *...it is about strategic social investment.*

**The Conference Board of Canada**

# Definition -- CSR

- *Corporate Social Responsibility is the continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the work force and their families as well as the local community and society at large.*

**World Business Council for Sustainable Development**

# Definition -- CSR

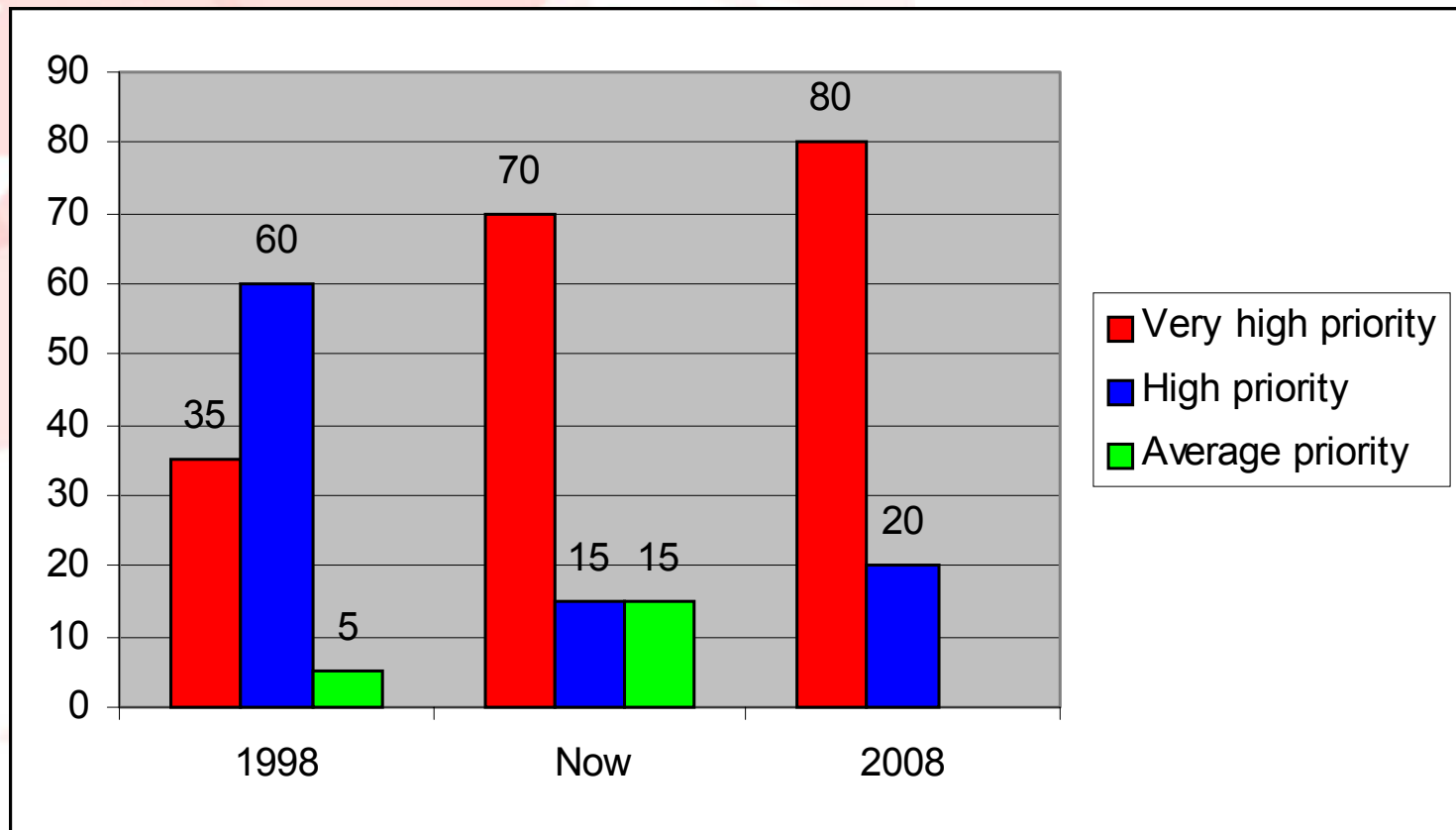
- *“Corporate Governance -- is concerned with the systems of laws, regulations and practices, which will promote enterprise, ensure accountability, trigger performance and increase the value of the enterprise by effectively meeting its legal and statutory obligations.”*
- *“Corporate Social Responsibility -- is about how companies manage the business processes to produce an overall positive impact on society.”*

*Pielle Consulting Group*

*Corporate Governance and Corporate Social Responsibility  
Ownership, Accountability and Management 2003*

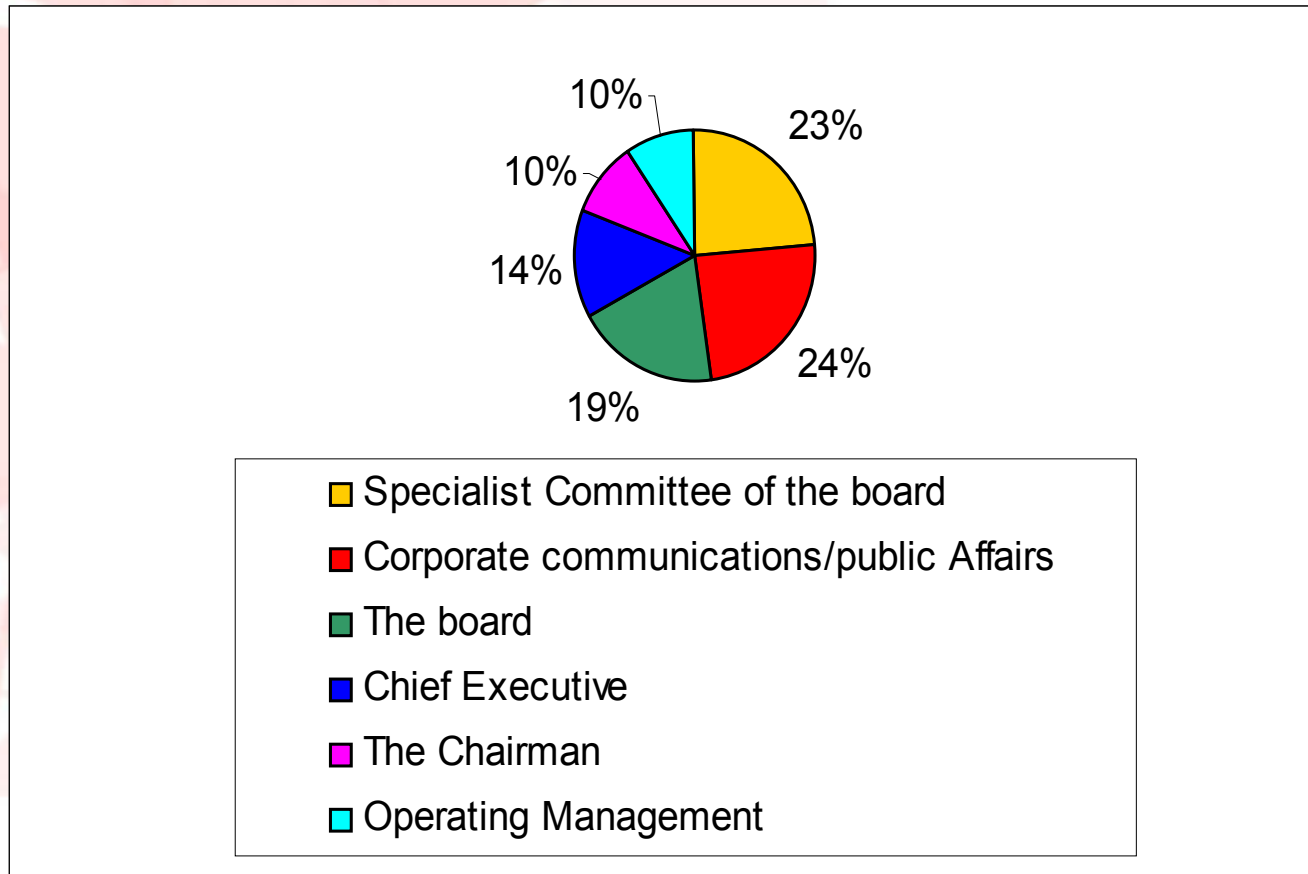
# More key findings -- Pielle Consulting

Chart the importance of corporate governance for your organisation over the last five and in the next five years.....



# More key findings -- Pielle Consulting

Where does accountability for CSR activities rest in your organization





# Key trends/research

# Key trends

- Organizations are including CSR in their overall business strategy.
- Increased recognition of the need for corporate champions in the pursuit of CSR with a growing emphasis on employee involvement.
- Good relationships again coming to the forefront.
- Reputation management again in the public eye.

# Key trends

- Canadians expect social services.
- CSR continues to be a hot issue with journalists and the public.
- Stakeholders continued ability and strength to impact your organization.

# Key research findings

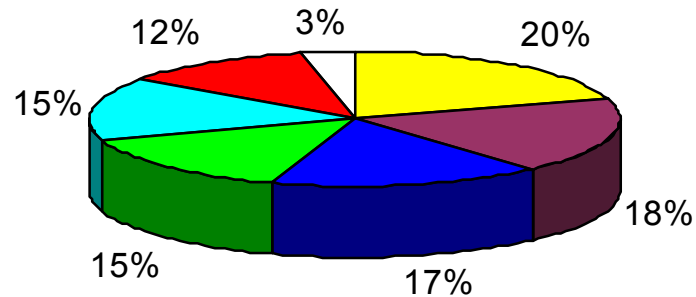
- Conference Board of Canada surveyed eight companies, about CSR in their organization:
  - have individuals/teams responsible for all the roles
  - rated management support as high/neutral
  - responsibility for CSR programs usually under corporate/public affairs/communications
  - engage in community sponsorships
  - use a range of communication approaches
  - cited business motives for CSR
  - cited benefits for CSR

# More key research findings

- 1999 millennium poll on corporate social responsibility revealed:
  - Almost 90% of consumers agree large companies should do more than focus only on profitability.
  - Worldwide, some 60% of consumers form impressions of a company based upon labour practices, business ethics, responsibility to our society at large, or environmental impacts.
  - Opinion leader analysis indicates that public pressure on companies to play broader roles in society will increase significantly over the next few years.
- PRSA survey conducted by Equation Research in August 2003
  - Only 12% of those surveyed said they believe presidents/CEOs are the most credible sources of financial information in a corporation

# More key findings -- Pielle Consulting

How is stakeholder dialogue developed in your company...



- Formal planned meetings
- Web site
- The annual Report
- Informal planned meetings
- Regular briefing
- A tailored/customised report
- Other - social reporting process, consultative bodies

# Top challenges of CSR

- Conference Board of Canada noted:
  - Lack of resources and tools
  - Lack of understanding about the value of CSR
  - Lack of communications
  - Lack of senior management support
  - Resistance from frontline managers
  - Lack of support from non-CSR groups
  - Difficult to balance economic requirements with environmental and social values.



The role of public relations & the practitioner  
Weaving social responsibility into the fabric of an  
organization

# My experience with ' SR '

- Environmental
- Public consultation
- Balanced scorecard
- Constitution

# It 's our opportunity

- Exhibit top/down commitment and influence grassroots/frontline support
- Elevate our role as advisors
- CSR is not an *initiative* -- it's a part of doing business
- Use the most effective communication approaches
- Continue to build on relationships with key stakeholders
- Give those stakeholders an opportunity to influence programs/decisions/initiatives

**Weave CSR into the fabric of the organization**

# How? « R » is for research

- Use the RACE formula -- CSR is not a magical, mysterious new initiative -- it's what we have practiced in our advice to senior leaders, in our adherence to the Code of Professional Standards, and within the RACE formula
  - assess your organization's level of CSR in all areas. *Is your organization perceived as a socially responsible company with all of your stakeholders?*
  - assess employee perceptions in particular
- Research says...employees want to hear from their managers/supervisors -- key communication and CSR ambassadors (as well as from the senior leadership team)

# How? Tools, relationships, measures

- Use our knowledge and expertise as public relations professionals
- Talk with our key stakeholders + measure results
- Leaders -- candid -- bad news with good
- Quarterly corporate social responsibility sustainability report
- Use CSR as a measurable hr tool for line managers--employee performance reviews
- Strategic/responsible partnerships with public and private industry
- Measurement of outcomes -- balanced scorecards (eg.)
- PR and IR must work together

# U.S. -- PRSA

- In a recent issue of the *The Public Relations Strategist* (Fall 2003), a supplement titled: *Restoring Trust in Business: Models for Action* highlighted some actions including:
  - teaching ethics -- in schools (not just in communications programs, but in business programs)
  - encouraging and promoting ethical behaviour
  - exceeding expectations for financial disclosure -- don 't just comply
  - becoming an *open company*
  - creating guidelines around measuring trust
  - providing information around creating a *scorecard for restoring trust*

# Federal response -- Canada

- The Government of Canada's -- *Corporate Sustainability Reporting Toolkit* ([www.sustainabilityreporting.ca](http://www.sustainabilityreporting.ca)) includes:
  - the business value of reporting -- enhancing reputation -- by building investor confidence and gaining competitive advantage in capital, labour and customer markets, improving internal operations, building stronger relationships (with stakeholders)
  - a description of sustainability reporting
  - a description of the stakeholders who use sustainability reporting

# CPRS -- what we do

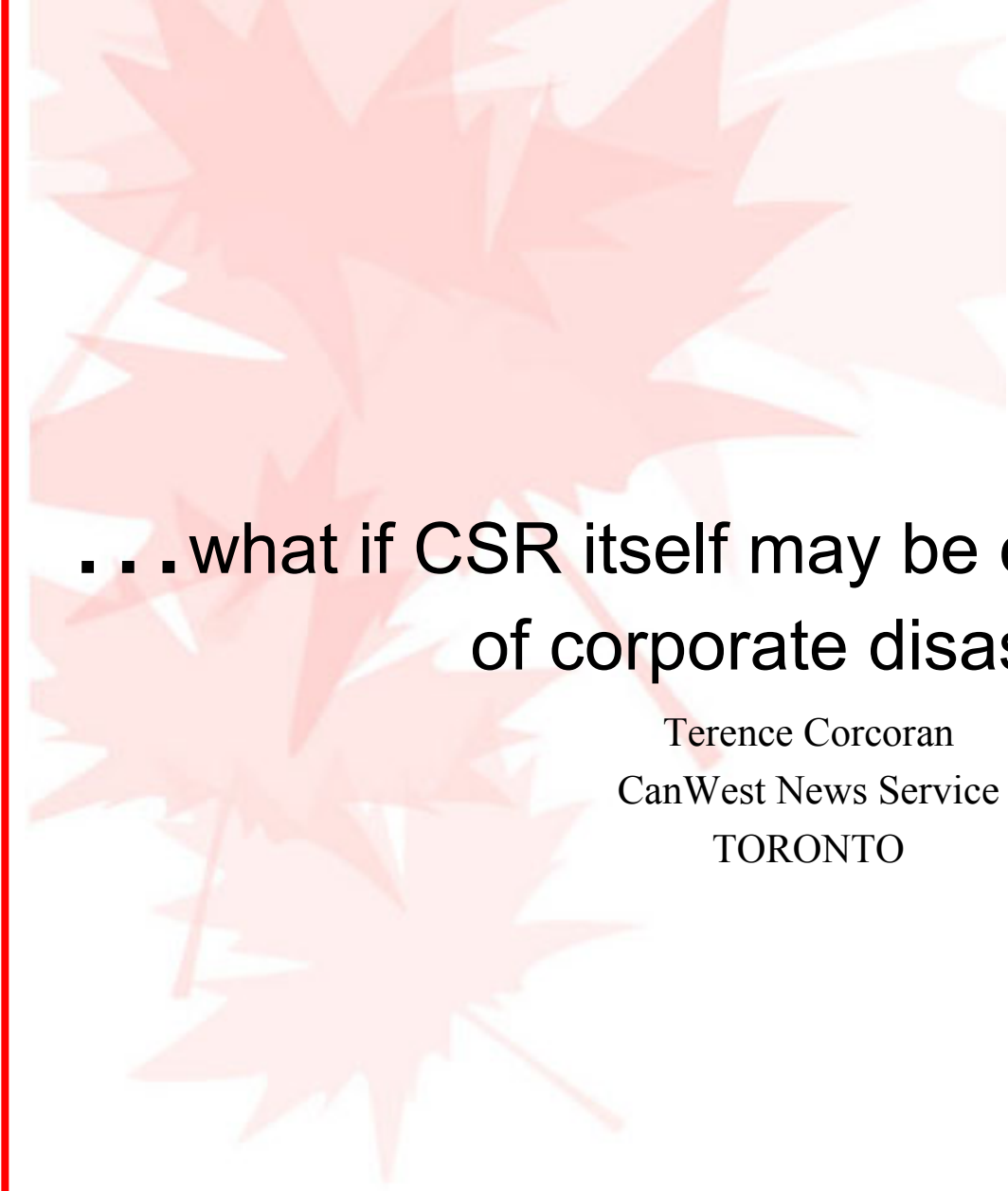
- Global Alliance
  - recent regulatory study (Edelman Group of Companies) on the hard/soft regulations affecting the practice of public relations
  - adopting an international code of ethics (GA ethics protocol)
- Accreditation process
  - Leveling the field and educating those outside the profession
- Governance activity
  - members are strongly influencing how their society is governed
  - roles of leadership are clearly defined
  - continued accountability and transparency
  - bylaws TBD to reflect structure, roles
  - removal of leaders -- process -- included in bylaws

# CPRS -- what we do

- Our own Code of Professional Standards
- Members only information on the site
  - including minutes from Board meetings
- Professional development
  - local level
  - national level through our conferences (Quebec City in June) -- exploring ethics, corporate social responsibility, cause marketing, et al

# CPRS -- state of affairs

- Key objectives -- 2003/2004
  - Continuous improvement in membership services
  - Improved financial management and development of new revenue streams
  - Governance task force initiative
  - Continuous improvement in p.r. for p.r.



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# Conclusion