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Make a Difference

There is little doubt that good CSR practice encourages employee engagement and is a source of competitive advantage. This is why we have chosen to focus on it for our first ever campaign.

Blame it on Al Gore's high-profile climate change mission, or the pivotal moment when Exxon Mobil's Valdez ran aground. Or the continual campaigns against Nike, Gap and Nestle regarding ethical trading. Whichever of these is the catalyst, or indeed the many other incidents over the past decade that have acted as wake-up calls, there is no doubt that today no organisation can ignore corporate social responsibility.

Yogesh Chauhan, the BBC's chief adviser corporate responsibility and deputy chair of the board of the Corporate Responsibility Group (CRG), put it succinctly last month when he said: 'Corporate responsibility is no longer viewed as a niche activity within companies and knowledge of CR issues is becoming a key competence for managers across business and industry.'

He was commenting on new research from Ashridge, one of the world's leading business schools, which notes that organisations are placing more importance on building and maintaining leadership in CSR. Respondents described this as moving from a 'risk management and compliance focus to one in which corporate responsibility is a source of competitive advantage'.

If there is something that is guaranteed to make businesses sit up and listen it is competitive advantage. Human Resources agrees that CSR practice adds value to business and this is why we have chosen to focus on it for our first ever campaign - Make a Difference.

Over the coming year we will be encouraging HR professionals to take a leadership role in CSR. Already one in 10 of you have responsibility for CSR in your business, according to research we have carried out among our readers to launch this campaign. In addition, 35% of you believe CSR should fall within the HR function.

While this is the case, it is naturally vital for the chief executive or board to be the primary leader in this area. The board is responsible for CSR in a third of cases, with the chief executive/managing director taking it on in 28% of organisations and a dedicated CSR person or department in 15%.

However, HR professionals should take an active role in embedding CSR into their organisation. You can help lead and educate your companies about its importance and enable meaningful management and HR practices to support CSR goals. Indeed, eight in 10 of you believe CSR will be a more important part of your job in the next five years, according to our research.

Already 30% of respondents' organisations have a CSR policy and 22% are working on one. But this leaves a depressing 48% of organisations without one. One of the problems could be the definition of CSR - 64% of you believe that it has become too wide-ranging to deal with in a straightforward fashion.

So why is corporate responsibility important for HR? When asked to rank the top three benefits of CSR in the workplace, the most votes overall went to helping to retain staff, followed by the ability to attract the best talent and helping increase motivation and engagement. But when asked to rank the single most important benefit, 57% of you said creating a strong organisational culture is the most important aspect of CSR. The ability to attract the best talent is cited by more than a third of you and helping your reputation in the local community by 32%.

Business in the Community development director Mallen Baker says ability to attract and retain talent is a benefit of CSR. 'All companies are working hard to retain the best and most talented staff. There is sufficient evidence that employees are more likely to stay with, and more likely to recommend, their employer if they perceive them to be socially responsible,' he says, echoing research from resourcing communications agency TCS which finds that 44% of employees say an organisation's CSR policy is likely or very likely to affect their decision to apply for a job within that organisation (see box below).

'This can be supported by some of the softer end activities, such as employee volunteering and company charities of the year, but fundamentally it comes down to whether or not they feel proud to work for their company and that starts with the way the company does business and the way it treats them - its staff,' Baker adds.

While Baker describes volunteering as a softer end activity, readers of this magazine obviously believe it brings business benefit as it is the second most popular activity offered to employees. More than three-quarters encourage employee engagement/volunteer activities in the local community while nearly a quarter encourages such activity outside the UK. Yet, only 41% of respondents give days off for volunteering.

Pushing volunteering into the runner-up position is running a recycling policy in the workplace, undertaken by nine in 10 of you. Other popular initiatives include incorporating CSR/environmental issues into induction training, offering environmentally-friendly transport schemes and including CSR/environmental concerns in staff performance measures. Less popular are incentives programmes reflecting corporate citizenship, at 13%.

While it is encouraging to see such activities already being undertaken in UK workplaces, there is still much to be done. Two-thirds of respondents admit they believe the CSR activities in their organisation are for external PR value as opposed to being built into internal company culture. This adds weight to previous research among other stakeholders. According to a survey by BPRI and BMRB last year, 44% of the public and 66% of MPs think the motivation

behind CSR is enhancing image, rather than contributing to the community or motivating employees.

Perhaps that is why CSR budgets are still pitifully small. Nearly half of respondents put their annual CSR budget at under pounds 50,000, with only 5% allocating more than pounds 500,000 to this area (3% of whom spent over pounds 1 million). This was the same as the previous year in more than 50% of cases, although 47% say it has increased, with most seeing a 25% rise in budget annually. Perhaps if more organisations evaluated the impact on the business it would be easier to prove the business benefit and therefore get more budget. Currently, more than half of respondents (53%) do not measure and evaluate CSR.

We hope our campaign will help show that CSR in the workplace is more than spin. Over the next 12 months we will be showcasing best practice through case studies and the latest thinking, as well as revealing exclusive research that will help prove the business benefits. We will also be unveiling an exciting competition that will provide readers with a once-in-a-lifetime experience. At the end of the year we will stage a conference to debate and discuss CSR in the workplace and look at the progress made through the year.

So please, get engaged, contact the team here and Make a Difference to your business and to the world.

Next month: Sian Harrington experiences a Community Challenge initiative in India, illustrating the importance of volunteering

WHICH OF THESE AREAS OF CSR IS YOUR ORGANISATION INVOLVED IN?

Source: HR magazine's survey of its readership

77% - Encourage employee engagement/volunteer activities in the local community

24.6% - Encourage employee engagement/volunteer activities abroad

90.2% - Run a recycling policy in the workplace

32.8% - Offer green benefits, such as transport

13.1% - Offer an incentives programme reflecting corporate citizenship

32.8% - Include CSR/environmental concerns in staff performance measures

59% - Include CSR/environmental issues in induction training

TCS RESEARCH: THE PULLING POWER OF A GOOD CSR POLICY

Nearly 30% of people would compromise their salary to work for a company with a good CSR policy, according to research by resourcing communications agency TCS. In the survey of 1,200 people, 43.9% said that an organisation's CSR policy was likely or very likely to affect their choice to apply for a job with that organisation while women were more likely than men to find employers with a good CSR policy more attractive. Public sector and social services employees were most likely to have their job-seeking behaviour influenced by an organisation's CSR policy, while accountants were least likely.

Respondents were more attracted to ethical **CSR initiatives**, such as a clear policy against child-labour, than environmental, economic or social initiatives.

James Roberts, TCS marketing manager, says: 'As attitudes shift and more people from Gen Y enter the workforce, it is going to become more important, so organisations need to act now and build **CSR initiatives** into their employer brands.'

CAMPAIGN AIMS

- Raise awareness of corporate social responsibility among HR professionals
- Encourage HR community to take a leadership role in CSR
- Develop action plan for HR to implement
- Share best practice

BUSINESS FOR SOCIAL RESPONSIBILITY: CSR AS A CORE BUSINESS STRATEGY

Business executives, NGOs and policymakers believe that CSR will become a core business strategy in the next five years.

A survey released at the Business for Social Responsibility (BSR) annual conference in San Francisco found that 82% of 330 business leaders polled at the event were optimistic that this would be the case.

Consumer behaviour and concerns about reputation top the list of reasons why, said nearly half (47% of the respondents who were present at the conference).

'There's a tremendous sense of optimism that sustainability - integrated solutions to urgent global challenges such as climate change, consumer product safety and the impact of rapid industrialisation - is now firmly on both the business and public agenda,' said Aron Cramer, president and CEO of BSR. 'The opportunity to make lasting progress on critical business sustainability issues has never been greater.'