The Development of Unified Corporate Social Responsibility:
Effective Brand Communication

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Abstract

According to McElhaney, the world's leaders define strategic corporate social responsibility (CSR) as "using the power of business to create a better world," [1]. Research has proven that the development and execution of CSR initiatives is directly associated with an organization's sustainability. Both stakeholders and shareholders are attracted to organizations that "do good." The single largest problem organizations face when implementing a CSR initiative is the ability to recognize the concept of CSR and aligning it with the organization's business strategy. It is only when organizations can properly define the concept of such efforts and ensure they are strategically aligned with the brand, its mission, purpose and values, that CSR is truly beneficial.

Introduction

CSR and the Categories of Classification

Much initial confusion of CSR lies in the definition or lack thereof. In addition to referring to these efforts as CSR, organizations also refer to them as: spiritual capitalism, corporate responsibility, sustainable development, global citizenship, corporate citizenship values-driven business, natural capitalism, and many more [1]. The value of these initiatives is not found in the name, but in the outcomes and consistency.

Though the title given to these practices may vary from business to business, the overall theme remains the same – "CSR schemes reflect the human side of corporations, and their leaders' personal commitments to contribute to the community and society of which they are a part of," [2]. Leaders should not harp on what to refer to the efforts as, but should "develop and execute a business strategy around their CSR, communicate it, and brand it," to create value [2].

To begin demonstrating the importance of CSR within an organization's business model, one must first understand how these practices are classified and which efforts are considered to be CSR. There are three primary theatres of CSR practice: Theatre One: Philanthropic Giving, Theatre Two: Reengineering the Value Chain, and Theatre Three: Transforming the Ecosystem

[2]. CSR efforts can fall under only one of these theaters, or encompass all three, depending on the level of participation and attention an organization allots to the practice.

Theatre One: Philanthropic Giving focuses primarily on "direct funding to nonprofit and community service organizations, employee community service projects, or in-kind donations of products and services to nonprofits and underserved populations," [2]. Within this theatre, businesses often engage in CSR efforts because they feel the need to contribute to the community at large and position themselves as a core component of the community, enhancing brand image and reputation, while mitigating risks ([2]. According to Rangan, Chase, & Karim [3]. "Programs in this theatre are not designed to produce profits or directly improve business performance," [3]. Examples of efforts in this theatre include "…donations of money or equipment to civic organizations, engagement with community initiatives, and support for employee volunteering," [3].

Theatre Two begins to integrate an organization's business model into the CSR strategy, delivering what's referred to as "shared value," economic and social value, for both parties. According to Rangan et al., "the priority in this realm of CSR is increasing business opportunities and profitability, while also creating social and environmental benefits, by improving operational effectiveness throughout the value chain…" [2]. In alignment, an article titled "The Truth about CSR" described programs in this domain as "functioning within existing business models to deliver social or environmental benefits in ways that support a company's operations across the value chain, often improving efficiency and effectiveness," [3].Many corporations are realizing the benefits of innovating new manufacturing and technology solutions as a CSR practice, categorized under theatre two. These efforts create shared value by "reducing production costs and mitigating environmental risks," [2].

The most obvious distinction is that theatre two is not evaluated on its social and environmental return, but on its ability to impact the company's bottom line while producing social value [2]. To gain a better perspective, the practices classified in theatre two seek to alter the company's value chain through natural resource extraction and sourcing, manufacturing, and shipping and product delivery. These types of sustainability efforts tend to have more impact on the company, employees, and all external stakeholders.

The Third Theatre used to classify CSR initiatives is referred to as "Transforming the Ecosystem." In this realm, CSR initiatives are created as part of a much larger movement and profit is not seen by the organization immediately. Rangan et.al notes"…the company attempts to create societal value by significantly addressing a critical social or environmental need that is within its business reach, but that may not return immediate business profits," [2].Unlike the efforts categorized under the first and second domains, CSR initiatives in this theatre may not directly reflect the company's core competencies but require the organization to alter its business model and develop new skills and strategies [2].

A focus is placed on long-term financial gains rather than short-term. Therefore, larger corporations with "scale, diversified product lines, and significant financial resources to absorb the uncertainties of delayed financial payoff," exercise these efforts [2]. For these large initiatives to be successful seasoned leaders within the organization must lead them. Typically, the CEO will have a high level of visibility in these efforts as well as the executive team and top

management because "improved business performance is a requirement of initiatives in this theatre," [3].

The conditions associated with practices in each of the three theatres discussed are all very different from one another, illustrating obvious reasons for each effort to fall under each specific domain. However, "Programs in one theatre can influence and complement those in another or even migrate," [3].

According to an article found in the *Harvard Business Review*, there are four steps companies should follow when developing a unified and strategic practice platforms. The first step is to evaluate initiatives a company is engaging in and determine whether or not it addresses an important social or environmental problem and is aligned with the company's purpose, identity, and values [3].

The second step addresses the necessity of developing metrics to gauge success. According to Rangan et al., (2015), "Just as the goals of programs vary widely from theatre to theatre, so do the definitions of what constitutes success," [3].

Measuring metrics in theatre two is a bit different because efforts in this domain are geared toward producing revenue or reducing costs. Often times, metrics will be included in an organization's sustainability report, which demonstrates environmental and company benefits. According to Rangan et al., "Not all theatre two financial benefits are realized soon after investments are made…companies looking for business gains from activities in this sphere need an ongoing system to tract net present value," [3]. In order for these efforts to be mutually beneficial, they must be constantly tracked and benchmarked. If the outcomes are not up to par with expectations, organizations must alter the focus and strategy of the practice or the organization could suffer losses.

Theatre three initiatives have measurement challenges because creating societal value is vital to business success. Therefore, "Companies must demonstrate superior social or environmental value for their external stakeholders while maintaining or improving internal bottom-line targets," [3]. These initiatives sometimes include making difficult business decisions because success is sometimes only seen in the long run. Tracking metrics of CSR initiatives is necessary when executing any efforts geared toward social or environmental sustainability. Failure to track these efforts could negatively impact the company's overall reputation among stakeholders and its brand equity.

Another important stage to reflect on when implementing a CSR initiative is how to coordinate programs across theatres. One effort can be enhanced and duplicated to fit into under the qualities associated with another domain. A philanthropic "go green" effort encouraging employees to participate in a beach cleanup would fall under theatre one. Adopting this effort internally to commit to reducing their carbon footprint would be categorized under theatre two. More substantial efforts could include outsourcing products from socially responsible vendors that help to eliminate waste and altering the business model to reflect, "going green" throughout the organization.

Finally, CSR initiatives must be led by executives for coordinated support and success to reign. Well-established corporations have positions dedicated to the success and sustainability of

CSR efforts. Thus, employees' "primary responsibility is to integrate initiatives across all theatres…to ensure ongoing communication and alignment –even if responsibility for individual initiatives remains dispersed," [3]. Though it's important that organizations establish a CSR practice, it's even more important that it's created, planned, and executed strategically.

Leveraging CSR Through Effective Communication

Cause Branding/Cause-Related Marketing

To begin discussing the role effective communication plays in the overall success of a CSR initiative, one must first acknowledge and understand the very popular and well-known theory of cause branding, synonymous with cause-related marketing. Cause marketing should not be confused with a CSR communication plan –it is a component of such, not a stand-alone strategy. Cause marketing "is type of marketing that involves the cooperative efforts of a "for-profit" business and a non-profit organization for mutual benefit…that's not necessarily based on a donation," [4]. According to CSR Wire, "Cause branding refers to a short-term business strategy that usually consists of advertisements that connect a social or environmental issue with a company's brand name and organizational identity," [5]. The drastic differences between cause branding and a CSR communication plan require one to take a deeper look into the outputs and consistency behind both.

Many organizations partake in cause branding efforts to offer stakeholders a visually appealing cause campaign, that is part of a larger branding initiative, to associate an organization with a cause "that generates customer interest and that is consistent with the company's product or service," ([5]. Cause marketing allows organizations the ability to "create a shared sense of purpose while branding [the] company as a forward-thinking enterprise," [6]. Despite the fact that cause-marketing campaigns are often short-term, execution and success relies on strategic alignment of the business with the cause.

Often times, companies will begin to transition their cause branding strategies to fully integrate into their CSR communication plan to ensure long-term sustainability, success, and valuable impact on the brand's identity. According to an article featured in *Forbes*, "Cause marketing may be a flashy tactic, but it fails as a brand strategy. Consumers see through the hype. If the connection between the brand and the cause is shallow, the impact on the brand is minimal," [7]. Building a cause-related brand should be a focus that is front-and-center to socially and environmentally responsible brands.

Designing a Comprehensive CSR Communication Strategy

"Today, forward-thinking companies understand that balancing the needs of stakeholders are an essential component of sustaining business success," [5]. Many of these companies are engaging in socially responsible practices and are "working to develop new communication strategies that speak to investors, consumers, and employees," [5]. Long gone are the days when companies geared their business strategy only toward shareholders. In today's day in age, consumers are demanding more transparency from brands and prefer doing business with companies that are socially good. Therefore, "communication efforts will likely evolve from a cause branding strategy to a broader, more encompassing CSR communication plan," [5].

It is most important that an organization first establish its corporate brand identity, which is the "values, vision, and culture of a company…sometimes considered to be the element that unifies the organization and provides a reference to the stakeholders," [8]. With that said, corporations must "move deliberately and thoughtfully through this process of fully integrating CSR communication strategies into their overall operations," [5].This recent movement is a shift of responsibility from the marketing department to the organization as a whole, seeking input from employees at all levels to garner engagement from all stakeholders.

In agreement, research from CSR Wire states, "A successful CSR communication plan will involve multiple departments, including Human Resources, Publicity, Marketing, Investor Relations, and Internal Communications," [5].Further, it is becoming relatively common for organizations to form CSR advisory committees within all participating departments to ensure the company's values are truly reflected in all business functions. Organizations are recognizing the demands of stakeholders and today's leaders are integrating service efforts into the pipeline. Companies have even begun to incorporate CSR positions into the executive leadership level such as Vice President of Corporate Responsibility and Chief Sustainability Officer [5].

Companies must not only "do good" to gain competitive advantage, but they must communicate these efforts appropriately to inform stakeholders and maintain their place in the cluttered marketplace. Brands must possess a "human aspect" when conveying the desired message to an audience.

One's story should never go untold. Consumers want to know that their favorite brands are socially and environmentally responsible, and that they can relate to them. With a comprehensive CSR strategy, organizations will experience an influx of stakeholder engagement and loyalty because "stakeholders are willing to support companies whose policies and management practices match their own personal values," [5]. Brands must exercise complete transparency toward stakeholders and must exhaust communication materials through all applicable mediums and channels.

Still, many brands remain unsure of what to communicate and how to communicate it when it comes to CSR. The importance of CSR communication is even more evident because stakeholders are typically skeptical of corporation's CSR initiatives due of the amount of false information that's been communicated overtime and because "stakeholders cannot directly witness a corporation's CSR policies or initiatives and to a great extent must rely on the corporation's own reporting," [9]. Additionally, the term "greenwashing" exists within the CSR industry, causing even more cynic among audiences. Greenwashing, "refers to the use of environmentalism or green credentials to suggest that a company's policies and procedures are environmentally friendly," [9]. More so, the term explains the efforts assumed by brands that give the public false hope that they are actively engaged in CSR –it's the communication efforts leveraging an environmentally sustainable effort that is very minimal or nonexistent.

Companies should know their stakeholder's interests, establish a corporate brand, and adopt a CSR that is aligned with its vision, values, mission, and culture. It has been proven that "highly relevant expertise and high perceived fit between a company and its supported CSR cause are more likely to generate positive outcomes of CSR," [10]. Then, with the execution of a tactical communication strategy, key publics will be engaged because "communicating a company's expertise or fit to support a specific cause is also important in affecting the publics'

acceptance of the sincerity of the company's CSR motives," [10]. To ensure ongoing support from stakeholders, the intentions and motives for supporting certain CSR efforts should be intertwined in the CSR communication tactics.

The next step in establishing a CSR communication plan is determining the key messages to be delivered to the public. Key messages highlight what it is you want your audience to remember, what is it that your organization is doing, and why the audience should support your organization and the cause. A "call to action" can be included in the key messaging. The messages must be clear and able to be understood by the average individual –"it is important to get them right so your audience understands exactly what it is you do," [11].

These messages should be consistent throughout the organization –everyone should be "talking the same talk" to ensure accurate key messaging is communicated to the audience. Employees and internal stakeholders are the most important audience to focus on when initially communicating key messages. According to Illia et al., "While the communication department tells the world about a corporation's CSR activities, the rest of the organization must show the world it believes in the same message," [9]. If the employees, who serve as brand ambassadors for the company, are not all on the same page and in the know with the organization's CSR initiatives, stakeholders will not be delivered accurate information.

Corporations should always do what they say and say what they do –"saying that your company engages in more CSR than it really does can backfire and delegitimize existing CSR initiatives," [9]. In alignment, if the company has CSR practices worth praise and acknowledgement, communication departments can leverage it, but they cannot communicate what does not exist [9]. Communication of these practices should be controlled and managers in charge should determine the channels used to broadcast.

According to Illa et al., "For communicating complex CSR matters, media that allow a company to expand on its actions through longer narratives, such as magazine inserts and well-designed websites, are preferable," [9]. In alignment, research conducted by the Public Relations Society of America (PRSA) states, "Independent communication sources such as media or experts are considered more trustworthy than company-controlled communication due to third-party credibility," [12]. Positive, earned media coverage offers increased brand credibility and stakeholder opportunities for organization. Research also indicated "partnerships or endorsements from other third-party organizations were identified as an important key to reduce consumer skepticism in CSR communication," [10]. Mention of a brand by an industry expert engages more stakeholders and encourages support. Stakeholders do not follow brands that solicit support through boasting on their own, company controlled platforms. According to Morsing et al., "It seems there has been general agreement that directly communicating CSR to the general public is not effective; rather companies should target experts, non-profit organizations, or media for CSR communication for better outcomes," [10].

There are, however, various forms of company-controlled media channels brands can take advantage of in addition to outside, credible coverage. These forms of CSR communication channels include, but are not limited to, "advertising, brochures, company's website or social media outlets, experts' blogs or non-company social media," [10]. Leveraging the benefits of company-controlled social media and digital platforms is a strategic tact in targeting publics –if a brand's stakeholders obtain their news through these channels, it's worth the investment and the

do-diligent efforts affiliated. Research garnering the attitudes and emotions of a brand's stakeholders would be important before determining which channels to use.

When an organization can create and abide by an established brand identity, it can then adopt strategic communication efforts that are aligned with its core values and mission. CSR initiatives should be adopted by the organization as a whole, by all members of teams at every level. Employees should be aligned with the messaging of all CSR efforts and be able to speak on behalf of the organization at any point in time. Consistency, frequency, and transparency are key factors in an effective CSR communication plan, which will help to increased stakeholder engagement and loyalty, brand credibility, and decrease skepticism. Developing a crisis communication plan will help to maintain brand reputation and image if an unfortunate event were to occur. In agreement, designating a spokesperson to showcase the company in the midst of a crisis or in the presence of uncontrolled media will further add credibility to the organization. A seamless, effective CSR communication plan will all be made possible with knowledge and relevance to one's stakeholders. All tactics executed with complement the stakeholders –where they obtain news, how they obtain news, and engagement of CSR efforts depends on the stakeholders' approval.

Lasting Impact of CSR on a Brand

When companies contribute to the social and environmental sustainability, they experience positive impacts in all aspects of business. Brand recognition and credibility is increased, and as a result, customers' purchasing behavior and attitudes toward the brand also increases. Today, "consumers are looking for a relationship, not just a transaction," [1]. Thus, stakeholders feel connected to the cause and experience instant gratification. CSR initiatives help to build ongoing relationships products or services themselves alone cannot.

In agreement, employee attraction, retention, and loyalty are also increased. According to Meister "Employees now want more from their employer than a paycheck. They want a sense of pride and fulfillment from their work, a purpose, and importantly a company whose values match their own," [12]. A survey featured in a Forbes article revealed that 35 percent of participants want to work for a company committed to CSR, 45 percent seek careers that make a social or environmental impact, and 58 percent want to work for an organization with values similar to their own ([12]. Today, there is a strong focus on people, planet, and profits –a theory also known as the new "triple bottom line" [12]. In fact, this phenomenon is most common in younger generations (Millenials) that are projected to dominate 50 percent of the workplace by 2020 (Meister, 2012). Therefore, corporations that are already committed to CSR are establishing themselves a desirable employer, attracting top talent in today's workforce.

An example of a strategic CSR adopted by a brand and carried out accordingly is that of Starbucks, whose mission is to "provide the highest quality coffee in an environment that is consistent worldwide and support the sustainability of their farmers," [13]. With 8,000 stores in 34 countries Starbucks provides coffee to 30 million customers each week [13]. To ensure their commitment to stakeholder, Starbucks purchases coffee in 20-30 countries per year and employs agents to spend 240 days a year on the road responsible for finding for the best coffee farms and developing relationships with customers [13]. Starbucks takes their mission statement seriously and ensures all of their tactics fully encompass their beliefs. According to Dehn "Starbucks focuses on ethical branding and utilizes CSR principles to create programs such as CAFÉ

Practices to ensure the sustainability of their suppliers through investing in the relationships and therefore developing an ethically recognized brand," [13].

Delivering their customers with the best, environmentally friendly coffee is a priority because Starbucks does not want a one-time transaction from consumers; they want ongoing loyalty and satisfaction. This is made possible through Starbucks' mutually agreed upon fair pricing, economic transparency, socially responsible buying, and environmentally friendly expectations," [13]. Thus, this company not only engages in a strategic CSR practice through ethical measures, but also communicates all details to stakeholders. The relationship with stakeholders is a core value of this company. Starbucks believes "the exchange of knowledge should be noted, for [the company] gleans information as much as they educate, making the relationship beneficial for all stakeholders," [13].

In alignment with the discussed theories, Starbucks also increased employee engagement and retention by offering employees, referred to as partners, the opportunity for scholarships to further their education. Referring to their employees allows each and every one to feel included within the community and scholarships are major perks with an even larger purpose. Recently, Starbucks has even created a new position, Chief Social Responsibility Officer, to ensure all outputs are in line with the mission, support stakeholders, create value and serve a purpose. This proves that for a CSR to be sustainable, it must be led by a remarkable, employee with passion for social and environmental sustainability. It is also likely to presume that all internal stakeholders are completely on board with the company's CSR efforts and fully embody the mission and values of the organization. In return, their brand is receiving much loyalty from consumers, employees, shareholders, and media. It seems that a great CSR communication plan can certainly offer a multitude of benefits. This CSR effort would be an example of a theatre three initiative because the organization adopted the CSR into their overall business strategy indefinitely.

With proper stakeholder research and a close analysis of the type(s) of CSR practices that "fit" an organization's vision, organizations will allow themselves the opportunity to make a decision on which type of initiative best fits their brand and then commit to such. Organizational fit, in terms of CSR, also pertains to employee support and managerial/executive input – organizations with much support, especially from high-level leadership, are more prone to adopt larger initiatives because both budget and human capital allow for it. As a result, larger organizations that adopt larger initiatives that seek to alter their business strategy may initially have more stakeholders' support and raise more awareness of the practices through media and communication outreach. Smaller organizations may not have the tools and ability to raise as much hype around their CSR effort, but that does not mean a strategically CSR communication plan cannot be in place and executed on a much smaller scale. Proper initiatives help to reiterate the core competences of the organization and the employees and supporters who share in these core values, as the CSR efforts are a testament to such.

Summary

"Do good" efforts, married to a strategic communication plan, will present forward-thinking organizations with a plethora of opportunities to showcase the brand and its efforts geared toward "doing good." Externally facing, the brand will be seen as a key component in the CSR realm and be recognized by industry leaders for their efforts. In return, consumers will

become advocates, which will affect purchasing behaviors, brand equity, loyalty, and credibility. Positive outcomes will also be experienced from employees, garnering increased engagement levels, heightened work/life satisfaction, attraction and retention rates, and creates brand ambassadors by the most impressionable public. Strategic CSR integration means not only serving society at large, but also gaining competitive advantage in today's cluttered marketplace.

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