# **Engaging Employees Through Corporate Social Responsibility Programs Aligning Corporate Social Responsibility and Employee Engagement**

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The message is clear: people want to work for organizations where they feel they are engaged and learning. Recently, Benevity in Canada stated, "Today's employees are expecting a greater sense of purpose in the workplace. In fact, 83% of Millennials say they would be more loyal to their employer when they feel they can make a difference on social and environmental issues at work." Companies that engage in social and environmental stewardship also benefit from employees who are more aware and involved.

Once the Corporate Social Responsibility (CSR) strategy and programs have been defined, how do you ensure your communications strategy, plan, and actions are aligned and will help deliver the desired results to get employees interested and engaged?

An online survey with 100 respondents in Canada demonstrated a clear shift from years ago where current applicants now research a company's CSR information when applying there. And once working inside the organization, employees notice CSR initiatives and want to get involved.

Keywords: corporate social responsibility, CSR, employee engagement, corporate reputation, purpose, values

#### IMPORTANCE OF SOCIAL MEDIA FOR BRANDS

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How much of a proactive role do communications need to play to align CSR and employee engagement? Studies demonstrate the business case for corporate social responsibility and the ROI for a company's performance and reputation. There is also a strong case for corporate sustainability and better employee engagement. Knowing this, communication teams need to keep it in mind when creating and implementing

their communications plans for corporate social responsibility programs to ensure appeal to employees with the right messages while also showing alignment to the business.

Communication practitioners must demonstrate the link between the CSR strategy and programs and how these need an adapted communications strategy, plan, and actions. In other words, CSR needs to be seen and treated as a business function, not as another project within the communications team/department.

#### RESEARCH PROBLEM AND QUESTIONS

Studies have showed that corporate social responsibility has become an essential tool in captivating, recruiting and retaining top talent. "Employees and candidates want to work for a company that they feel is giving back to society. In fact, they expect their employer to be socially responsible and provide them with tools to engage with the causes they care about," (Troup & Simon, 2018). This research study aimed to explore if this was true with employees in Canada and to answer the following three questions:

- (1) Why should Corporate Social Responsibility programs consider and include an employee engagement component?
- (2) What examples of good Corporate Social Responsibility programs include employee engagement?
- (3) What are some of the measures used to determine whether Corporate Social Responsibility programs are engaging employees?

#### LITERATURE REVIEW

## Why Engage Employees Through Corporate Social Responsibility?

Findings from a survey conducted by the non-profit Net Impact in 2012 (Meister, 2012) showed the top three things important to students about to enter the workforce were financial security (92%), marriage (73%) and "a job where I can make an impact" (72%). In the same survey, 35% expressed that if all other things were equal, they would take a 15% pay cut to work for a company committed to corporate social responsibility.

The 2011 Deloitte Volunteer IMPACT survey (Deloitte, 2011) also yielded interesting findings: Millennials who frequently volunteer indicate higher levels of engagement than those who rarely or never volunteer, thus more inclined to rate corporate culture as very positive and feel very loyal towards the company and express pride to work for the company.

Benevity's engagement study showed that "companies whose people are deeply connected to their CSR efforts tend to have better employee retention than those that don't," (Benevity, 2020). Benevity's engagement study, which looked at more than 2 million users worldwide across 118 companies, found that "turnover was reduced by 57% (and in some cases higher) for employees who were actively engaged in their company's corporate purpose iniatives," (Benevity, 2020). Hence, a strong CSR program is closely connected to a company's ability to attract and retain talent, which is a key factor in ESG scoring and indicator of a company's long-term financial health.

I've personally received testimonials from employees involved in their company's CSR programs with messages like "these activities help to bring a great balance between spreadsheets that fill my days at work". Magda B.L. Donia, associate professor at Telfer School of Management at the University of Ottawa says, "companies that engage in CSR report positive consequences on important outcomes such as the appeal of the organization to job applicants, employee commitment to the organization, job satisfaction and job performance," (2020). She also states a report by Hewitt and Associates that found that "corporate social responsibility can improve the bottom line, in part by giving the most engaged employees a reason to stay and work harder."

According to an article from Dr. Hua Jiang, associate professor in S.I. Newhouse School of Public Communications at Syracuse University and published by the Institute for Public Relations (2020), "employee engagement through CSR contributes to employees' perception of their organizations' reputation of 'doing good'," (Ali, Rehman, Ali, Yousaf, & Zia, 2010). Furthermore, "employees can

voluntarily share CSR information on social media, which will eventually help enhance their employer's reputation in the marketplace," (Kim & Rhee, 2011).

Based on Jiang's survey results from 811 employee responses (2020), key findings from her study included:

- (1) "When employees perceived their organizations' CSR communication to be highly effective (i.e. with high levels of informativeness, personal relevance, transparency, consistency, and factual tone in CSR communication), they were less likely to think of their organizations' behaviours as hypocritical;
- (2) The lower the level of employees' perceived corporate hypocrisy, the more highly they thought of their organizations' reputation;
- (3) Effective CSR communication led to positive corporate reputation that employees perceived;
- (4) Corporate hypocrisy partially mediated the relationship between CSR communication and reputation;
- (5) When effective CSR communication was present, employees were more likely to be engaged on social media to share their organizations' CSR initiatives, and be physically, emotionally, and cognitively engaged in their organizations' CSR activities;
- (6) Both employees' social media engagement and CSR engagement resulted in their perceptions of strong corporate reputation;
- (7) Employees' social media engagement and CSR engagement partially mediated the link between effective CSR communication and corporate reputation as well."

With these findings, why wouldn't companies implement and bet on corporate social responsibility programs where employees can become involved, leading to increased engagement towards the company? Especially in this era where the "shortage of labor" is becoming a real issue for many industries.

Benevity's paper on Building your ESG profile through your CSR program states, "Employees and customers expect transparency and accountability, and companies are recognizing the need to make their initiatives authentic and part of the fabric of the company's culture," (Benevity, 2020).

Hence, companies should be aware that employees don't respond well if they believe their organization is using CSR to give a false impression of goodness. "Organizations, therefore, must be careful to engage in CSR for the right reasons, says Donia (2020). Employees make judgments about why their organizations engage in CSR, and they distinguish between authentic efforts and what's known as greenwashing – CSR that is more focused on appearances than true commitment to a cause." Donia further explains when employees judge their organizations' engagement in CSR as authentic, they tend to describe it as a "giver" and employees see these organizations as being driven by values such as helpfulness and compassion. In contrast, when CSR is judged as inauthentic and self-serving, employees tend to characterize the organization as a "taker". Employees of these organizations are more likely to see them as being driven by a focus on dominance and doing better than competitors. "Employees trust organizations that engage in genuine CSR but distrust those that engage in greenwashing," says Donia (2020).

Research Donia conducted with organizational behaviorist Sigalit Ronen of California State University, sustainability researcher Carol-Ann Tetrault Sirsly of Carleton University and workplace psychologist Silvia Bonaccio of the University of Ottawa sought to delve deeper into these findings to understand the impact of CSR on employees. They found that how employees feel about their companies' CSR initiatives influences important workplace attitudes, including trust in top management, pride in the organization, job satisfaction and the meaning they positively ascribe to their work (Donia, 2020). Already in 2016, Donia was stating, "we already knew that a company's corporate social responsibility engagement produces positive outcomes. However, we see that a company jumping on the corporate social responsibility bandwagon just for show or greenwashing doesn't fool its employees," (Pontefract, 2016).

According to Dr. Roger Hayes, Associate Professor for LKY School of Public Policy in NUS Singapore, "businesses are increasingly expected to maximize profits for shareholders while also satisfying customers and the employees who look after them, all while doing good for society." Pushing these new expectations are employees who are turning "activists" as they increasingly protest beyond the confines of the workplace through whistleblowing and walkouts – issues beyond traditional worker concerns such as pay and job

security. "Traditional corporate social responsibility separates external engagement from everyday business; good relationship with stakeholders, including internal stakeholders, is a crucial element of competitiveness, and companies need to recognize it as such," says Hayes (2020).

Mark Anthony Camilleri, resident academic lecturer at the Department of Corporate Communication at the University of Malta, explored how CSR can be a source of opportunity, innovation and competitive advantage. In his 2016 paper, he discussed the 'Pyramid of Corporate Social Responsibility' which explains the different CSR responsibilities: economic (i.e. maintain economic growth), legal, ethical (i.e. abide by moral rules), philanthropic (i.e. not required but appreciated, like providing day-care centers for working parents), also referred to as "discretionary". Understanding these distinctions will help communication practitioners plan their CSR communications.

Another study from Kyle Welch, assistant professor at George Washington University, with Aaron Yoon, assistant professor at Kellogg School of Management at Northwestern University provided evidence that "ESG improves shareholder value when employees are satisfied," (2020). Their findings showed that "firms with high ratings on both ESG and employee satisfaction significantly outperform those with low ratings on both and with high employee satisfaction alone,". This is therefore interesting for communication practitioners doing CSR communications and employee communications because the results suggest that ESG coupled with employee satisfaction enhance shareholder value.

Career coach Joan Michelson states "employee engagement is demanding corporate social responsibility," (Michelson, 2020). She says employers must treat their employees well, "making it more critical to walk the talk and to prove it".

Anne Bahr Thompson, author of Do Good: Embracing Brand Citizenship to Fuel Both Purpose and Profit says "there's much more risk in what employees do to the company's reputation." Her firm's Culture Q research found that "employees, customers and all stakeholders unequivocally are demanding more value, more social good," (Thompson, 2017).

"ESG is continually becoming a greater factor in a company's success in attracting, engaging and retaining employees correlating to the demographics of the current workforce," argues board veteran Betsy Atkins (2020). Her statement refers to Millennials, now the major group in today's workforce, followed closely by generation Z. "These demographic groups especially value the issues addressed by ESG".

#### **METHODOLOGY**

To further the reflection on "engaging employees through CSR programs" and find out if companies that engage in social and environmental stewardship in Canada also benefit from employees who are more motivated in the workplace, an online survey was conducted between July 2 and July 24, 2020. Anyone in Canada working for a company, either in the private, public or non-profit sectors, and whether part-time or full-time, was asked to complete the short 10-question 5-minute survey on the platform Survey Monkey. The investigator approached friends and acquaintances through social media to complete the online survey and encouraged them to share it with their friends and acquaintances creating a snowball sampling. A recruitment message was also posted on the investigator's social media accounts: Twitter, Facebook and LinkedIn. A total of 100 responses were collected.

#### **RESULTS**

#### **Online Survey**

An online survey targeting anyone in Canada working for a company, either in the private, public or non-profit sectors, and whether part time or full time, was launched July 2, 2020 and closed on July 24, 2020 with 100 surveys completed online.

Question 1: What is your employment status? was simply to gather information on the respondents. 90% are working full time.

The purpose of Question 2 How long have you been working at your current organization? was also to gather information on the respondents and demonstrated that 70% have been employed at their current organization for less than 8 years while 15% between 9 and 15 years and 15% more than 15 years.

The purpose of Question 3 Does your organization have employee engagement programs related to its corporate social responsibility strategy? was to determine which employee engagement CSR programs respondents were experiencing. The most common responses were matching donations and individual and team volunteer time.

The options respondents could choose from were:

- Matching donations: your organization matches any donation you make to a charitable organization.
- **Donations for volunteer time:** your organization makes a donation to a charitable organization where you volunteer.
- Individual volunteer time: your organization allows you to take paid time off from work to volunteer at a charitable organization.
- Team volunteer time: your organization allows you and colleagues to take paid time off from work to volunteer as a team at a charitable organization

But it is important to note that 37% responded their organization does not have employee engagement programs related to its corporate social responsibility strategy. Some comments seemed to justify it given the organization's size: "recent startup too early for these programs" and "it's a small business".

And it is interesting to mention some respondents added comments about other programs besides the four options in the question: office fundraising activities for United Way, electric car charge stations, initiatives for International Women's Day and sustainable practices in the workplace.

Question 4, Think back to when you applied to your current position; did you search the organization's corporate social responsibility strategy? showed 2/3 of responded answered yes. Respondents offered many interesting comments to justify their answer. "It was important to me to align myself with an organization that had strong values and a history of CSR," indicated one respondent.

It is interesting to note the huge discrepancy in the comments: about 50% mentioned having read the complete CSR report or searched for information online, while the other 50% indicated not having thought about searching for information about CSR or that it was not important. Years ago, CSR was not part of an applicant's mindset when looking for work and these comments are therefore not surprising given that 30% of respondents have been at their current organization for more than 9 years.

Some comments also show the impression of small organizations that don't have CSR programs justifying it because the organization is too small for it. Those in the non-profit sector CSR is part of the organization's DNA and therefore does not require additional research. "This is a non-profit where being of service is a part of the mission. As a hospital and healthcare provider, it's everyday work is to 'do good' for our community," indicated a respondent.

Respondents were asked at Question 5 How important is it for you to work for an organization with a corporate social responsibility strategy? and 46% answered very important and 26% said important.

Results to Question 6 As an employee, are you motivated to engage in your organization's corporate social responsibility strategy? showed an astounding 80% saying yes. What seems important based on comments from respondents is that whether it's volunteer during working hours or simply making a donation at work, as long as the opportunity to participate aligns with the schedule of the employee and his/her living conditions. "It depends on workload," and "it needs to be meaningful for me and align with the work that we do," were interesting comments left by a respondents.

On Question 7 Thinking about other organizations besides yours, what are some good examples of organizations engaging their employees in their corporate social responsibility programs? Based on respondents' comments, it can be said banks do good work getting their CSR initiatives noticed as banks were often mentioned. It is also interesting to notice specific initiatives from companies noticed. For example one employee wrote: "Richter gave their employees a day off to volunteer. Sanofi gave employees time off work to volunteer."

- Questions 8 to 10 were for statistical purpose only:

- Ouestions 8: age range with 33% between 25 and 34 and another 33% between 35 and 44, and 25% between 45 and 54.
- Questions 9: current industry represented by respondents included mining, finance, insurance, entertainment, education, food and beverage, retail, technology, energy, legal, healthcare and non-
- Questions 10: location in Canada 75% of respondents were in Ontario, 17% in Quebec, 5% in British Columbia and 3% in Alberta.

#### DISCUSSION AND RECOMMENDATIONS

Answers to the three research questions helped determine if engaging employees through CSR programs helps increase employees' motivation.

Benevity's engagement study showed that "companies whose people are deeply connected to their CSR efforts tend to have better employee retention than those that don't," (Benevity, 2020). This is another reason why communications practitioners must pay attention to CSR communications. A company's CSR initiatives and programs are getting attention from job applicants and can be an advantageous tool for talent recruitment and retention.

#### **Start With Corporate Volunteering**

An example of good corporate volunteer activity is The Great Canadian Shoreline Cleanup, an event jointly led by the Vancouver Aquarium and WWF-Canada. An example of an organization that does this well is the bank CIBC, which turns it into a joint employee activity with their families. In June 2018 more than 700 CIBC employees and their families (WWF-Canada, 2018) grabbed their gloves and garbage bags for the Great Canadian Shoreline Cleanup, giving up their Sunday morning to clean 70 kilometres of beaches and parks at 48 sites across Canada.

**TELUS** is another example of organization with good corporate volunteering initiatives. In 2018, this organization celebrated its 13th annual TELUS Days of Giving (Community TELUS, 2018), bringing together more than 24,000 volunteers at over 1,800 activities across Canada. What is neat about TELUS is that they involve their employees and get their retirees to participate in the Days of Giving.

Finally, TD Bank also has some interesting corporate volunteering initiatives. For example the TD Tree Days (TD Tree Days, 2019 is a national tree planting program started by TD's Friends of the Environment Foundation (FEF) in 2010. TD Tree Days provides TD employees, their families and friends, and community members the opportunity to volunteer in the communities where they live and work and demonstrate their commitment to forest stewardship.

### Take It One Step Further: Beyond Standard Volunteer Programs and Donations

Once an organization has a corporate volunteering culture, it should take it a step further by asking "what is the organization's purpose?" then link it to or create a volunteer program based on its purpose.

Some airlines do this well. Think about – what is the purpose of an airline? Move people from point A to point B. For example, Air Canada provides the trip of a lifetime to medically, mentally, physically, socially or emotionally challenged children. Air Canada's Dreams Take Flight is a 100% volunteer-powered charity. Every person donates their time; from the Air Canada pilots, flight crew and ground support to the administrative support.

What about insurance? What is the purpose of this industry? Keep people safe and offer them protection. Aviva Canada's insurance company does this with its national partnership with the Canadian Red Cross and encourages employees to volunteer during catastrophes (Babineau, 2017).

Another great example is AIMIA's unique Global Week of Philanthropy (2016). It is brilliant that AIMIA gets their employees passionate about data to use their data analyst expertise and passion to help non-profit organizations.

Finally, PwC's Access Your Potential (2017) financial literacy program is another good example an organization's purpose to help the community.

# Top of the Pyramid: Volunteering on a Specific Aspect of Your Corporate Social Responsibility Strategy

The most advanced way to engage employees through corporate social responsibility is to get them to volunteer internally in a specific aspect of a corporate social responsibility strategy such as:

- Diversity & Inclusion and the creation of Employee Resource Groups (ERGs)
- Health & Safety committees
- Supply Chain working groups

#### LIMITATIONS

The generalization of this study is also limited as it involved only 100 respondents and no responses from Atlantic Canada.

#### **FURTHER RESEARCH**

Repeat the online survey with a larger sample size and target equal representation from every geographical region.

Another angle to consider is to survey employees at companies seen as leaders in CSR programs and initiatives and compare with companies not benefitting from such visibility, awareness and/or opinion.

#### CONCLUSIONS

#### 3 Key Learning Points

- (1) Why should corporate responsibility programs consider and include an employee engagement component?
  - Increased motivation
  - Creation of ambassadors/champions internally & externally
  - Opportunity to develop skills (i.e. coordination, leadership) and/or educate (i.e. environmental issues)
- (2) Examples of good corporate social responsibility programs that include employee engagement:
  - Let employees choose causes to support.
  - Make it easy by giving them time to get involved (i.e. volunteer days).
  - Get leaders buy-in (i.e. turning CSR actions into team building activities).
  - Partner with non-profits for excitement and credibility.
- (3) Measures to determine Corporate Social Responsibility programs are engaging employees:
  - Participation rate
  - Increased participation rate
  - Repeated participation
  - Post event comments and testimonials

#### How To Create Your Corporate Social Responsibility Employee Engagement Opportunities

- (a) Start by implementing a standard volunteer program
- (b) Take it a step further by linking or creating a volunteer program based on the organization's purpose
- (c) Finally, align an engagement opportunity in a specific aspect of the corporate social responsibility strategy

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