

Rules of Thumb for CSR Professionals

The Director of CSR for a large public organization relates this story – “*after a year in this new position, I had been successful in developing our corporate CSR policy and goals. It had received Board approval and I began the process of implementation. But I immediately encountered significant resistance from the Site Managers who were concerned about a negative impact on their revenues and generally didn’t see the need for the head office policy. I learned that the only way to get this critical group onside was with individual face to face communications over several months. I needed to respond to their timeframes and really understand each manager’s unique situation and needs. By taking that approach I was able to identify a couple of CSR champions who were absolutely invaluable in advising me on where to start the pilot projects– then the implementation really began to move forward.*”

IBM’s bi-annual global survey of CEO’s (2008) makes a key observation that reinforces the challenge of managing change as a CSR leader. On the one hand, CSR has been identified as one of the five key drivers of the “Enterprise of the Future”. At the same time, the study found that while the majority of CEO’s see significant change ahead, their organizations’ ability to manage the change successfully, in their view, lags far behind.¹

Professionals working in CSR see themselves in many ways - policy/program developer, communicator, advocate and strategist. A role that is not often articulated is that of ‘change agent’. Yet, every organization that has truly embraced CSR experiences significant change in the process of converting their intentions regarding CSR into reality. Consider the complex and wide-ranging changes required to stop polluting, address governance gaps, establish meaningful community engagement and balance the demands for profitability with those of sustainability. Changes in strategy, policies, programs and budgets are required – but also the much more difficult changes in culture, attitudes, and behaviour.

CSR change leaders must have ‘the ability to communicate a compelling vision of the firm’s CSR strategy that makes adaptive responses appear both feasible and desirable to its many stakeholders, arousing their genuine motivation and commitment; it involves acting as a sponsor of innovation and entrepreneurship and ...utilizing skills such as communication, training/education, program development and group facilitation’.²

In preparation for writing this article, I conducted in-depth interviews with 7 senior CSR professionals from a range of Canadian companies. In addition, we had numerous informal conversations. We discussed how much time they spent developing CSR policy or programs *versus* how much time they spent trying to understand the issues, work with others to understand the issues, build coalitions, make something happen, listen to objections or defend a program/policy? Universally, they said that they spent far more time engaged in the latter activities and far more time that they ever thought they would

¹ IBM (May 6, 2008). *Global CEO Survey*. Press release. www-03.ibm.com/press/us/en/pressrelease/24126.wss

² Lyle M. Spencer and Signe M. Spencer, *Competence at Work: Models for Superior Performance* (Toronto: John Wiley and Sons, 1993), p. 343.

when they took the job. Their comments, experiences and learnings have been invaluable in illuminating these CSR best practices. Early in my career as a change management consultant, I was exposed to Herb Shepard's Rules of Thumb for Change Agents³ and found that they significantly influenced my thinking on how to be successful in this field. I have used this framework with some adaptation in formulating *The Seven Rules of Thumb for CSR Professionals as Change Agents*.

The Seven Rules of Thumb for CSR Professionals as Change Agents

- Start Where the System Is
- Stay Alive
- Learn to Work Uphill
- Partner for Success
- Load Experiments for Success
- Light Many Fires
- Capture the Moment

Rule # 1 Start Where the System Is

The change agent's first challenge is being relevant with the business of the organization and being true to the CSR mission and objectives. CSR professionals must know the organization's business drivers. A significant number of successful CSR practitioners that I spoke with had, as part of their early career experience, worked for a financial institution's commercial lending practice in the area of environmental risk management. This provided them with financial acumen and an understanding of the language of business. With this preparation, years later they were able to think of their CSR role as integral to business success. With an ever shifting corporate environment, the CSR professional needs to stay current with many aspects of the business – financial, economic, regulatory and competitive.

In terms of getting started, a viable CSR strategy should align with the organization's mission and current business strategy. When this is done in the normal course of the business' strategic planning the CSR strategy benefits from the communications processes, dialogues and documents that accompany corporate planning. In one large organization, Corporate Social Responsibility was identified as one of the ten key internal processes on the corporation's Strategy Map. The executive responsible for CSR says that this has been extremely helpful both in focusing her efforts and in engaging other members of the business when they ask "what is CSR and how can I contribute?"

Another important activity for the change agent is to understand the players – those individuals who have power or position in the organization. Familiarity with the goals, interests and priorities of these players is essential because CSR professionals operate primarily through influence.⁴

Once the strategy is in place, CSR professionals need to take risks and choose their battles with a view to initiatives that will progressively advance both the CSR objectives and the business objectives. Typically, the early stage includes the selection of a

³ Herbert A. Shepard, "Rules of Thumb for Change Agents," *Organization Development Practitioner* (November 1975), pp. 1-5.

⁴ Allan R. Cohen and David L. Bradford, *Influence Without Authority* (New York: John Wiley and sons, 1991), pp. 138-139.

promising starting point. This may be an issue where there is an existing champion (ideally the CSR ‘change agent’s superior) and/or where the CSR professional has some degree of control and influence – such as a policy on corporate donations or engaging employees in recycling efforts. While the starting point may not have large overall impact, it should be chosen carefully to demonstrate early success in the CSR arena. Most importantly, early success needs to be broadly communicated. This approach will encourage the motivation of early adapters to bring fence-sitters on board and has even been used to help employees focus senior management attention on the CSR agenda.

Rule # 2 Stay Alive

Notice that this rule has a double meaning. “staying alive” certainly refers to your believing in the importance of what you are doing and giving the CSR agenda all of your commitment. But it also suggests that there are risks for you and your career -and you must manage these consciously in order to advance your purpose.

On a personal level, CSR professionals all emphasize the importance of staying in touch with their broader purpose while advancing the immediate CSR agenda. Throughout the interviews, I heard that it was easy to become discouraged due to the ‘lack of progress’. Policies are developed, but not implemented or monitored, a program is launched but there is skepticism that it is ‘flavour of the month’, executives are committed but lose focus due to changing priorities. The CSR professional must come to appreciate the process and pace of change, especially change in an organization’s culture that typically takes 5-7 years. *Several of those I interviewed stressed the importance of periodically reflecting back and appreciating the accumulation of small steps that represent real progress. At the same time, the reality is that progress often entails 2 steps forward and 1 step back; individuals working in the CSR field need to be resilient.

The people I interviewed also learned that emotional as well as intellectual factors could affect their progress. They identified four keys levers for achieving results. These levers are: *knowledge* of both the business and the field of CSR, *skills* such as planning, negotiating and communicating, *emotions and passion* for the work which is attractive and impresses members throughout the organization and *personal power*. When I asked them what had been the best advice they had received from a senior executive the responses included –

“Don’t take it personally when others disagree with your goals – don’t get defensive”

“Let your passion show through and balance it with good business sense”

“Go Zen – recognize that many things are out of your control”

“Don’t narrow your own view of the opportunities and entry points”

“You must be able to show productive value out of each element of the program”

“You can’t espouse this if you aren’t believing it and living it”

“Embrace uncertainty”

Risk-taking is a key element in any change effort. Successful CSR practitioners are passionate and fully committed but, above all, they are pragmatic. They develop a strategy that fits with their skills set, and their organization and they stick with it. One individual articulated his strategy as follows “I select the CSR issue that is nearest and

dearest to the senior executive to whom I report and then I work that issue start to finish with a cohesive near, mid and long term plan that eventually envelops the other key CSR arenas for the business.” Another person described a strongly focused communications strategy “I put together a CSR Charter for the business – I deliberately made it lengthier than your typical mission statement because I knew that would draw people into conversations with me and with others to really understand ‘what is it’. Then we did a ton of education at all levels including throughout our industry. Only then were we ready to take on the first CSR change projects.”

Rule # 3 Learn to Work Uphill

Most companies begin their efforts at building a CSR program by asking an executive or manager to add this to his/her existing responsibilities. The result is that the CSR program is almost always understaffed in the initial years. This could easily cause concern in the new CSR manager about their ability to make meaningful progress or skeptical about the company’s commitment. But the practitioners I spoke to not only saw this as a fact of organizational life, but more importantly as a benefit in disguise. For example, by remaining under funded relative to its objectives, the CSR program avoided becoming an early area for cost cutting when things got tight. By contrast, a well-funded CSR program, especially in these economic times when organizational resources are scarce, is bound to attract foes as well as fans.

And although a modestly funded program might be expected to result in slightly slower progress, CSR professionals showed a lot of ingenuity in overcoming this problem. Notably, they used enthusiastic volunteers – and demonstrated that this approach could be every bit as effective as having dedicated staff when it came to reaching early program goals. For example, one high level CSR executive put together a Steering Committee of peers and insisted that they all be volunteers. Their initial commitment was to implement measurable targets in their part of the business and they were assisted to do so through the use of key performance indicators and dashboard measures (business tools that executives are familiar with). The Steering Committee has moved beyond that, developing the ability to think strategically about CSR and progress has been rapid. In addition, not one of these volunteers has asked to be replaced, a clear indicator that they know they are having an impact.

In seeking out and motivating volunteers, all of the individuals I interviewed emphasized the importance of three things;

- Ask for volunteers in anything you are working on
- Ensure that individuals and their organizations get recognition and credit
- Successful CSR practitioners find that there is another benefit to using volunteers – more initiatives are seen as coming from organizational stakeholders and that always makes the going easier.

Rule # 4 Partner for Success

While volunteers will likely play an important role in the initial stages, CSR professionals recognize the importance of using partners or collaborators within the organization to grow and sustain the program. During the course of my interviews, I found that CSR practitioners have forged two kinds of successful partnerships.

For some, the partner has a senior executive role in the business and recognizes that CSR, if properly scoped, can help to address business pressures such as escalating operating costs and external reporting requirements. In this situation, CSR professionals must be able to reframe their own objectives to meet the line executive (partner) business goals or to solve a particular problem. An actual situation saw the CSR practitioner identify the senior executive who had the most to gain from her CSR agenda. That executive was responsible for the company's market transformation and chaired a committee with this mandate. Working closely with the executive resulted in a mutual agreement to use the committee for the unstated purpose of changing customer habits – which achieved both the desired business results and made significant inroads in the CSR plan.

The second type of partnership is one at the grassroots level. Several interviewees commented on how grassroots i.e. employee-driven efforts around greening the workplace, social/community investment, volunteerism etc. were used to great effect because companies do pay attention to what is important to their employees. It is well documented that enhanced employee engagement is an important factor that businesses consider when building a CSR program. No longer is it just done on the basis of the financial business case.

When it comes to ensuring that partnerships are successful, there are two additional recommendations. First, invest in the development of your partners; make sure that they have the concepts, tools and skills to produce the desired CSR results. Second, help your partners team up with each other; synergies for CSR as well as for the business will be an added benefit.

Rule # 5 Load Experiments for Success

CSR practitioners are naturally comfortable with innovation. Their roles involve working with different stakeholders on new agendas to achieve unfamiliar results. They must appreciate and actively account for the fact that what is exciting and new to them is “an experiment” to others. One CSR manager referred to building an ‘umbrella’ over early programs. Here are some reliable ways to ensure that csr innovation is successful:

- Clearly frame them within the business context so they aren't seen as flavour of the month. Remember that while the CSR objective is frequently undisputed from a technical or business standpoint, people still need time to adapt their assumptions and behaviours.⁵
- Use participation to increase ownership of pilot projects or new programs. As one individual emphasized “when you select the right participants, your CSR goal becomes a part of their performance scorecard and their incentive to have it succeed is that much greater”
- Pay attention to the details; because CSR is still viewed as trendy in some organizations and especially in these economically challenging times, it is critical

⁵ Ronald Heifetz, *Leadership Without Easy Answers* (Cambridge: Harvard University Press, 1993), p. 35.

that you show “productive business value from every element of the new program”.

- Manage the normal anxiety associated with experiments – communicate frequently, create a good structure, don’t walk away to let it run itself⁶
- Measure everything. Not only does this send a message that you mean ‘business’, but you make it more likely that pilot projects will become institutionalized when you get agreement in advance on the target performance results.

Rule # 6 Light Many Fires

Comprehensive CSR requires new thinking as well as changes in business strategy. It can also require major resources and rely on the success of large, complex, high risk projects. While ‘high profile’ CSR is exciting and challenging, most of the CSR professionals I spoke with were cautious about recommending this approach. As more than one person said: “A big CSR project is also a big target”. They explained that this is particularly true in times where there is competition for resources. More frequently, those responsible for CSR are opting to create a web of interconnected smaller projects that can, over time, move the whole organization towards its CSR goals. They pointed out that this approach allows them to integrate existing initiatives thereby building support and recognizing the work of those who have been pioneering CSR through local and/or low profile initiatives. An additional advantage is that if one project fails or needs to be deferred others can fill in the gap keeping the CSR program alive in the company.

Another tactic for surviving the chopping block is to know how to choose your battles. According to the CSR professionals I interviewed this is vitally important during the current economic climate for business. So while one individual recognized the impact of greenhouse gas emissions from his company’s nation-wide fleet and facilities, it was just not viable to start there. However, he was able to identify a widely used material that was not recyclable or biodegradable and worked through the resistance from the procurement function in order to successfully substitute an alternative and less costly product into the business. This enhanced his credibility as both a realist and a doer.

Two pieces of advice are given with this approach. First, practitioners emphasized the importance of having project management skills for integrating and managing many initiatives. Second, a very strong emphasis on communications must be established so that the various initiatives are linked in the minds of key audiences and stakeholder groups. All of the professionals I interviewed emphasized the importance of communications skills – listening of course and knowing the audiences needs but also the ability to speak with confidence about the CSR agenda, and in a way that tells the unique CSR story that every organization has to tell.

Rule # 7 Capture the Moment

The main focus of this article has been to offer practical ideas and best practices related to the change efforts that will help CSR programs to succeed. But not all of what ‘works’ is of the rational variety that businesses grasp most readily. CSR professionals, while pragmatic, have the contagious enthusiasm of a great salesperson. This allows them to act

⁶ Anne Kemp, “Human Resources and Managing Strategic Change.” In David Bratton, ed., *Best Practices: Strategic Human Resources Management* (Toronto: Thomson Canada Limited, 2001), 8-1 – 8-20.

both generously and with courage. It leads to win/win solutions in difficult situations. In moments of conflict or crisis effective CSR practitioners have learned to stay in touch with their experiences, their skills and their feelings. They draw on the fundamental value of searching for common ground as a way forward. The CSR professionals I spoke with all emphasized the importance of being a great communicator. And it is ‘in the moment’ when powerful communicators have the greatest impact. They have learned an important lesson that can be summed up in the following way – high risk = high opportunity. Capturing the moment also implies learning from experience. Each of the CSR professionals I spoke with related significant learnings from their first CSR role. They varied greatly:

- Communicate, communicate, communicate
- Don’t try to take it all on at once
- Build a solid business case with tangible, measurable and quantifiable bottom line and CSR results
- Ability to articulate the risk exposure
- Learn how to talk to, market to, gain and keep the support of the executives
- Start with small wins
- Keep your sights on building CSR into the DNA of the corporation

CSR is truly a “key driver in the enterprise of the future”. For CSR professionals, who need to achieve their goals through influence rather than authority, The 7 Rules of Thumb will help to successfully bring about organizational change.