

Doing well by doing good

Socially responsible companies can foster healthy workplaces

By Daphne Woolf

To be great," says Elyse Allan, president and CEO of General Electric Canada, "you need to do good... you can't separate environment and social ethics from competitive objectives." Referring to an emerging competitive trend called "corporate social responsibility," Allan believes that to achieve a clear and competitive advantage, businesses need to grow with a view toward long-term viability. The meaning of CSR speaks for itself. It has become fashionable among companies who want to align themselves with public interests and values, and integrate them into their daily operations. Companies that invest in environmentally friendly products and activities, get involved in philanthropic programs, and promote employee volunteerism gain a reputation for social responsibility.

If your company has a CSR program, it probably has an impact on the health of your employees and organization. Whether that impact is negative or positive depends on how you use CSR to truly engage your employees in the whole process.

The new competitive edge

As we all know, competitive advantage is not just market share and revenues. It's also

having the pick of the human resources crop. And as it turns out, employees like working for great companies. When offered comparable multiple job offers, they view CSR as a corporate differentiator.

According to Jay Handelman of the Queen's University School of Business, top business graduates choose to work for companies with demonstrable social values. All things being equal, the companies with the greatest reputation and presence in CSR are getting more than their fair share of top talent.

However, after attracting top talent, in most cases companies rely on their employees to do their social work for them. Many employees are more than willing to oblige, but how does a company's expectations compare with those employees can



realistically deliver?

Does it enhance or interfere with employees' productivity and job satisfaction? Does it increase retention rates or breed cynicism?

In short, are you using CSR as a tool for a healthier workplace or as one more demand on your employees' schedules?

How to enhance employee engagement through CSR

- Incorporate CSR into the annual performance evaluation or performance measurement protocol.
- Communicate with employees at the outset, throughout the process and at the end of the CSR project. The communication priority of CSR should be internal first, external second.
- Educate all employees to ensure peer support for CSR involvement.
- Break down silos by involving individuals from different teams to work together on CSR initiatives.
- Allow for quiet volunteering. For example, provide an online grant application process that preserves individual anonymity.
- Provide tangible rewards to employees involved with CSR, such as vouchers, dinners out with spouse, weekend getaways and tickets to special events.
- Offer a wide range of CSR activities so employees can choose what means the most to them personally. United Way is obvious — local school involvement may be less so.
- Reward each employee for their different role in a given CSR activity, such as idea generation, fundraising, communication and behind-the-scenes administration.
- Ensure that the CSR initiative reports into a high-profile senior executive.
- Ensure that CSR involvement is not seen as coercion or as a way to "park" a poor performer.
- Allow employees to take their reward for CSR involvement and allocate it to the charity of their choice, even if it is not connected to the corporate initiative.
- Consider a survey or focus groups to find out what CSR means to employees, what should be done and what the company should do to engender their support. — *E.B.N.C.*

What is a healthy workplace?

Before examining the impact of CSR on your workplace, we need to define "healthy." The definition differs between employers and employees. From the employer's viewpoint, a healthy workplace attracts and retains top talent, enjoys year-over-year growth where fiscal targets are met and has longterm sustainability.

For an employee, a healthy workplace is where they feel valued, are treated fairly and are given the tools and support they need to do a good job. They have responsibility, corresponding authority and personally meaningful recognition. They enjoy working and have a passion for exceeding expectations

and creating innovative solutions.

Combine these definitions of health and you have a thriving environment with engaged employees — who in turn produce the kind of growth and sustainability employers want. Quite simply, when your employees are engaged, chances are your business is going very well. In the words of Allison Liss, the former national sales manager for Pantorama, “If you’re not having fun, you’re losing money!”

Covering costs to gain rewards

To what extent does CSR promote or detract from this kind of employee engagement?

A “push-pull” syndrome emerges when you choose to facilitate employee engagement and simultaneously integrate CSR

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into day-to-day operations. Where does the budget come from? Who has the time? Employees are expected to be the activists for CSR initiatives, but what are the tangible implications for them?

CSR involvement needs to be balanced with job requirements and family responsibilities. Some employees who want to be involved in CSR initiatives cannot afford to put in extra time. If Jane’s efforts on a companywide CSR project prevent her from meeting sales targets and puts her quarterly bonus at risk, she has just lost her incentive to contribute to the company’s bottom line, and CSR has become a liability rather than an asset.

In a recent workshop we conducted through The Conference Board of Canada for a large group of employers, we identified two factors that drive the effectiveness of CSR for employee engagement: first, tangible corporate support to employees

who actively participate in CSR (time off, rewards, reduced work load); second, employee commitment to the CSR initiative itself.

Together, we came up with other tips to enhance employee engagement through CSR (see sidebar) from both the corporate and employee perspectives.

Fad or fixture?

According to Allen White of the Tellus Institute in the United States, the future of CSR will take one of three different directions:

- It will be positioned as a fad and will fade. A grim scenario.
- It will be imbedded and integrated into day-to-day business functions. A triumph for the CSR movement.

- It will be viewed as a movement in transition and will transform given the reality of constraints and limitations.

If companies fail to engage their employees by providing concrete support for volunteerism, CSR will just be a passing fancy, and employees will restrict their volunteer activities to outside the workplace. But if we do it right, employees may find more incentive, meaning and satisfaction through workplace-community partnerships — which in turn it will be reflected both in the company’s healthy corporate culture and a gleaming bottom line. — E.B.N.C.

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