



ADVANCING CSR WITHOUT A CORPORATE RESPONSIBILITY OFFICER



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Only 42% of companies have a Corporate Responsibility Officer (CRO). What about the others?

Recently, the Thought Leader Forum, a group of senior corporate social responsibility professionals organized by the LBG Research Institute, met to discuss the corporate citizenship profession and how it relates to corporate social responsibility, CSR leadership in a company, and career paths to corporate citizenship and CSR.

This white paper summarizes the group's thoughts on just one of the questions discussed that day: Do we really need a Corporate Responsibility Officer (CRO)? What if you don't have one?

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The title of corporate responsibility officer (CRO) started popping up in the past decade. We have a Corporate Responsibility Officers Association (CROA), which does great work in the area of defining and advancing the work of corporate social responsibility. In 2011, it published a guidebook of structuring and staffing corporate responsibility, in which the primary purpose of a Corporate Responsibility Officer was defined as being "an ambassador, visionary and strategist reporting at the highest levels in the business and serving as steward/champion across the entire CR landscape. [The CRO is] charged with driving commitment to CR within the company and across the company's external stakeholders."¹

The same report stated that only 42% of firms have a "single designated senior executive overseeing the corporate responsibility function," regardless of that person's actual title. Only 42%? What are the rest doing?

What's the difference between corporate social responsibility and corporate citizenship?

The difference between corporate social responsibility and corporate citizenship isn't always clear to everyone. The two terms are sometimes used interchangeably, but in our minds, they are two different things.

The term CSR refers to the triple bottom line of people, planet, and profit. It is a broad look at a company's impact. Corporate citizenship (CC) refers to a company's interaction with the community and what it "gives back." Corporate philanthropy and employee engagement are the backbones of corporate citizenship.

Based on the experiences of the members of the Thought Leader Forum, these companies are frequently relying on the corporate citizenship leader to guide the company into greater overall social responsibility. And this makes sense. If you read the literature on the role of the corporate citizenship professional, it sounds an awful lot like how the role of CRO is defined. In the decades since the checkbook defined the citizenship of a company, the CC professional has evolved from grantmaker to social conscience of the company. In many companies, the push toward greater corporate social responsibility has come from the corporate citizenship department. It is a natural extension of CC professionals' jobs, as they are the ones who are most in touch with the internal and external stakeholders who care about the company's net social impact. They are out in the community, they are working to engage employees in the community, and they are the eyes and ears of the company in the community.

¹ "Structuring and Staffing Corporate Responsibility: A Guidebook," Corporate Responsibility Officers Association, www.croassociation.org.

A NATURAL EVOLUTION

From the beginnings of corporate philanthropy, the individuals charged with writing the checks have possessed a sensibility for the needs of the community. Over the years, the qualifications for a corporate citizenship job have gone far beyond the desire to help other people. With the addition of employee engagement programs and a focus on strategic philanthropy, the qualifications of a corporate citizenship professional have changed as the field has changed. A do-gooder can write checks but it takes more than a signature to run a corporate citizenship department today.

This higher level of competencies and qualities have been defined in a number of different studies in recent years. The Council on Foundations' 2009 study "Career Pathways to Philanthropic Leadership" and Boston College Center for Corporate Citizenship's 2010 report "Corporate Citizenship Leadership Competency Model" are two thoughtful pieces on the subject of what makes a good CC leader. The Thought Leader Forum members, too, have spent time discussing the subject and have distilled their thoughts into the following list of what they consider essential for success in their roles as corporate citizenship leaders:

- **Be an excellent communicator.** Corporate citizenship professionals have to be able to talk to the Board of Directors, the executive team, their peers in other areas of the company, employees at all levels, regulators, elected officials, community and nonprofit leaders—all stakeholders—in appropriate language with a consistent message. That requires the ability to understand the concerns and viewpoints of the different stakeholders and tailor the corporate message accordingly.
- **Be a charismatic, persuasive figure in the corporation.** Besides communicating a message, CC practitioners are often called upon to gain cooperation from stakeholders (that includes the CEO!) for important programs to be implemented. That takes more than excellent communication skills. Great leaders exude confidence without arrogance and are able to persuade reluctant stakeholders by educating them and listening to their concerns.
- **Be able to deal with complex situations.** Because there are so many stakeholders in a corporation, the leader will often find him- or herself in situations that are difficult or politically charged. Great leaders are able to see different points of view, think on their feet, defuse the landmines and gain cooperation.
- **Be comfortable in the for-profit and nonprofit environments.** An understanding of nonprofits—preferably experience in them—is critical to be able to speak their language and work with them effectively.
- **Understand the business and current issues in your industry and the world.** In order to understand different internal stakeholders' points-of-view, you have to really understand the business, what drives revenue, what the risks are, the issues in the industry and world trends and events that impact your industry. Otherwise, you cannot speak the language of the executives and communicate with them effectively. You cannot design a strategic citizenship program that serves your company without knowing what makes the business tick.
- **Understand your communities, their issues and needs.** Like with the business, if you do not know what is happening in your communities, you cannot be an effective, responsible citizen of those communities.

These qualities add up to a person able to fill the role of the CRO as defined above, regardless of his or her title or position in the company. Based on the experiences of the Thought Leader Forum members, many are already filling that role. Corporate citizenship leaders are frequently the touchstone for all

issues related to corporate responsibility--the go-to person for advice on how to handle sensitive situations and for insights on how stakeholders might react to certain corporate news.

Within the Forum, the corporate citizenship professionals have been involved in crucial business issues, such as opening and closing facilities, labor relations, strategy execution, and government relations. They are valued for their experience interacting with all nature of stakeholders--particularly employees and the community. They have been, in these situations, an important voice for the company's overall social responsibility. And at companies with less developed social responsibility programs, the corporate citizenship leader is the driving force behind the movement toward greater CSR awareness and action. If that isn't the role of a CRO, then what is?

THE *DE FACTO* CRO

We are not suggesting that the corporate citizenship leader should be promoted and given the title of corporate responsibility officer (although that is an intriguing idea...). We are saying, however, that the corporate citizenship leader is the *de facto* CRO in the absence of an executive with that title.

In company's without clear leadership, the corporate citizenship professional needs to have a seat at the table whenever the topic touches on corporate social responsibility and the business strategy. It doesn't matter which part of the business is being discussed. The operational leaders should be responsible for the social impacts of their departments, while the corporate citizenship leader runs his or her department. But the CC leader should be available for advice--that touchstone others need to do their part effectively.

Together, the department or functional leaders, including the CC leader, create a formal or informal CSR committee, reporting to the CEO. A formal committee is a good idea--with CC chairing it. The CC leader has experience with social impact metrics that make him or her a good choice to choose and communicate success and opportunity to the CEO. He or she is also likely most tied into the latest trends and issues in corporate social responsibility and best to inform and advise the committee on the topic. As the company's CSR program matures, the different functional leaders can then rotate the chairmanship of the committee.

We believe that the CEO is ultimately responsible for any company's social impact, its triple bottom line. Realistically, CEOs are too busy running the company to manage social impact the way a CRO or a CSR committee would. And--let's just say it out loud--some CEOs just don't get it. But the corporate citizenship professional gets it, and can become an advocate for CSR in the entire company, not just his or her own department.

So, do we really need CROs--an individual at the top of the CSR food chain? The 42% of companies that have one would say yes. But for the others, there are alternatives. A CSR committee can function quite well for smaller companies or those just getting their feet wet in CSR. And as we pointed out, there is already someone in the company with the knowledge, skills and attributes to advise on CSR strategy and execution--the corporate citizenship leader.

We submit this thought piece to present an opinion and open a discussion. We welcome your feedback and thoughts. Email us at lbgresearch@gmail.com.

How do I get a job like yours? Advice to young people

Corporate citizenship and CSR jobs are cool, right? Lots of young people think so and are constantly asking for advice on how to get a “job like yours.” Here’s what the Forum members say when asked that question:

Be prepared to show off your stellar communications skills. A well-written resume, confident speaking voice and well-chosen words will make an impression.

Don’t rely on classes and certificate programs to get your foot in the door. They are nice to have on your resume, but they aren’t everything you need to work in CC or CSR.

Show that you are committed to social responsibility in your own life. You don’t have to lead a movement, but in what way have you personally made a difference?

Don’t think that you can come in and start giving away money. You will start at the bottom, and like every other field, the bottom means some boring grunt work. Spreadsheets of volunteer projects and choosing a t-shirt color aren’t sexy but it is part of the package.

Network, network, network. Great CSR leaders can come from anywhere. Get out there and talk to the people doing the work today. If you make an impression, they’ll remember you when hiring or when a friend is hiring. Communication skills are essential—show them off when you network!

Get experience in the nonprofit world. It is critical to understand how nonprofits work, as we’ve said. Paid work is great, but if you can’t get it, volunteer. Then talk to the people working there about what it is like. Are you a recent MBA? Maybe they would appreciate some pro bono work in your expertise. If you’re still in graduate or undergraduate business school, take advantage of any nonprofit management coursework.

Stay abreast of current thinking in the CSR field. There are quite a few good blogs to follow as well as organizations putting out thoughtful research. Read CSR reports for fun. You’ll have plenty of conversation starters in your networking as well as insightful questions at job interviews.

Be persistent but don’t be a pain. Once you’ve connected with some CSR professionals, it’s okay to stay in touch. Send an article you thought was interesting. Update them on where you are in your career. Don’t just ask if there is an opening in the CSR department. If there is and you have impressed them, they’ll be calling you!