Exploring Corporate Social Responsibility Leadership

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Introduction

In the midst of heightened global competition, businesses are aggressively warranting the significance of Corporate Social Responsibility (CSR). Many stakeholders have embraced technology as a means of obtaining and diffusing information instantly, and as a result, organizational leaders are forced to respond quickly to their demands, values and expectations.

Much of organizations’ awareness of and response to CSR is due to the extent to which stakeholders’ perceptions and actions are capable of impacting the bottom-line. More than ever before stakeholders are holding organizations accountable for the social and environment welfare of those with whom they conduct transactions. The failure to respond to these social values is detrimental to their survival in the global market as it would not be considered good business practice if these values are not addressed.

The term CSR is becoming increasingly popular at various levels as stakeholders respond positively to organizations that engaged in social and environment activities. Companies are investing heavily in marketing their CSR initiatives to improve, and in some cases repair their reputation. If an organization is using the concept of CSR simply as a marketing strategy to gain advantage, they are jeopardizing their economic sustainability. Stakeholders are looking beyond the rhetoric of CSR by scrutinizing CSR programs in the attempt to understand if organizations are measuring their CSR performance. An organization that is perceived as unprogressive in its CSR agenda can lose some of its core consumers. Organizations that continue to utilize CSR as rhetoric can be viewed as having short-sighted leadership, which can impact the bottom-line. Therefore, it is critical for organizations to invest in the development of CSR programs as a management function that will not only do ‘good’ for the community, but may yield positive results. The transformation of CSR into a strategic approach for organizational performance is
not yet a reality in most organizations. Only few of them have fully incorporated CSR as a function. Although organizations with highly managed CSR programs are not shielded from immense criticism, their systematic approach must be respected as they have led the way in validating and transforming CSR into a management domain.

**Statement of the problem**

One of the reasons why corporate social responsibility continues to have no identity is because of the failure to provide a framework with which organizations can evaluate their performance where CSR is concerned. This lack of framework has caused organizations to be judged instead of being evaluated taking into consideration diverse factors. Due to the fact that organizations are all not equal, it is important to create a CSR framework by which they can measure their progress in a manner that reflects the level to which they are able to make changes.

**Research Questions**

1. What is the importance of creating an identity for corporate social responsibility?
2. How can the understanding of organizations’ diverse attitudes improve organizational performance?
3. Why is a framework for CSR values important to organizational performance?

**Objective of the Research**

It is evident that CSR is being discussed within the executive sphere. This is an indication that the social responsibility of organization has become vital to organizational performance. Although many companies are now using the CSR to convey their commitment to the planet and to people, there is little evidence of leadership within the context of strategic management. As
strategic process is significant to measuring performance, it was important to explore the concept of CSR leadership within the framework of strategic management.

Theoretical Framework

1. Understanding Corporate Social Responsibility

Corporate Social Responsibility (CSR) has become one of the prominent issues to be considered by employers, according to Tamm, Eamets, & Motsmees (2010). The understanding and definition of CSR is diverse, and there is much inconsistency and debate in identifying what exactly constitutes a socially responsible practice (McWilliams, Donald, & Wright, 2006). This contributes to the various ways in which CSR is implemented within organizations.

There seems to be a unanimous understanding within the diverse schools of thought that regards Corporate Social Responsibility as a commitment by business to addressing social and environmental concerns (Kumar, & Srinivasa, 2010; Perrini, & Minoja, 2008; Mackey, Mackey, & Barney, 2007). Organizational leaders’ CSR attitude toward Corporate Social Responsibility is an indication of how receptive management is in implementing and exercising activities associated with social and environmental wellbeing. CSR is still viewed by many as a strategy simply to control adverse effects by company practices (Jackson, & Apostolakou, 2009), thus failing to effectively embrace corporate social engagement that will be beneficial for all stakeholders.

2. Significance of Strategic Leadership for CSR Performance

As a criterion for CSR leadership, measurement of CSR performance is paramount (Amagoh, 2009; Usman, 2010; Neera, Anjanee, & Shoma, 2010). CSR should be within the framework of management to foster an ethical relationship with its stakeholders through transparency and accountability (De Sousa Filho, Outtes Wanderley, Pasa Gomez, & Farache,
Both Fairholm (2010) and Kanji (2008) discuss the significance of articulating the vision and measuring performance. Because many leaders are still struggling to implement CSR, change agents are critical for attitudinal and behavioral change.

3. **Opportunity for HRD in Corporate Social Responsibility**

Fenwick and Bierema (2008) discuss the significant role of HRD practitioners and theorists in the CSR agenda. The Editorial of the Human Resource Development International (2011) has recently called for Human Resource Development (HRD) interventions in sustainable development and encouraged to development of awareness of economic, social, political, culture and human rights in which sustainability development is linked. It is imperative for HRD practitioners’ to be directly involved in building a more productive work environment through the corporate social responsibility (Sukserm, & Takahashi, 2010). The responsibility of business should transcend the agenda of profit-making. Management must address social responsibility to attain a state where humans are not only valued for their talents, but as individuals whose dignity must be regarded (Becker, Carbo II, & Langella, 2010). As an instrument of change through learning and development to augment the capability of the human being (Gilley, & Eggland, 1989; Swanson, & Holton III, 2001), which transcends national boundaries (Tome, 2009), it is vital for HRD practitioners to understand how corporate social responsibility practice at the core impacts organizational performance.

4. **Significance of Strategic Leadership for CSR Performance**

Few would argue that the Corporate Social Responsibility practice within competitive organizations’ is based on a higher level of social consciousness. The ability to effectively improve the organization is a criterion for any leader. De Sousa Filho et al. (2010) who understand the close relationship between CSR and organizational performance, place CSR
within the framework of management to foster an ethical relationship with its stakeholders through transparency and accountability. Leaders are able to measure their own performance and better understand how management systems can be improved for the change to be effective. Leaders are capable of promoting clear CSR goals and missions through a strategic planning process.

Leaders are responsible for creating visions, influencing people, performing effective strategic planning, and the empowering the workforce in order to facilitate the rapid changes. Although the literature provides different definitions of leadership, there seems to be a general agreement that it is a significant attribute in the current global market. Amagoh (2009), who points out that leaders are responsible for innovations, views effective leadership as responders of change and are individuals who will find ways to creatively address challenges while sustaining high performance. Neera et al. (2010) discusses that leadership, due to the exponential changes that are taking place in marketplace, cannot be clearly defined at this point in time; however, those who are placed into leadership roles are to position themselves several steps ahead when making decisions. They are also responsible for putting the mechanism in place to promote appropriate conduct on all levels. Leadership is crucial to any CSR agenda given the importance of satisfying stakeholders who are valuable to the organization. According to Perrini and Minoja (2008), firms are increasingly aware of how important it is to become a ‘responsible player’ for those who claim links to the company. Therefore, it is the responsibility of leaders to understand, define and even articulate their role in order to foster a work place that produces a high level of satisfaction. This can be done by setting a clear direction and creating a supportive environment, as it positively impacts the psychological wellbeing of the workforce for organizational performance (Mulki, Fernando Jaramillo, & Locander, 2009). Usman (2010)
expresses the importance of leadership in managing performance and exercising good governance for internal and external satisfaction. These actions demonstrate the extent to which the leader is able to create and manage the culture of the organization.

An organization that seeks to engage employees must create effective CSR strategies as it has the potential mobilize the workforce at various levels where employees will begin to find their CSR niche within the organization. Through effective strategy, leaders can attract talented employees who also feel the need to serve as internal or external allies for the organization by exercising good citizen in diverse ways. Having a solid social responsible partnership between employees is an effective way to gain customer loyalty.

Fairholm (2010) identifies three principal issues to help leaders during strategic thinking process. He believes that they are responsible for positioning themselves that would enable accurate visibility of organizational development. Both Fairholm (2010) and Kanji (2008) discuss the significance of the executive leader articulating the vision as a means of demonstrating support for the program being implemented. Expressed by Kanji (2008) as an integrated part of the contextual elements to ensure quality of performance, a well articulated vision encourages the involvement of the necessary stakeholders who will develop measurable goals. Kanji (2008) argues that there is a strong causal connection between organizational values and the four critical success factors—vision, mission, strategy, and key issues. Fairholm (2010) discusses that leaders perform two types of strategic activities: Strategic thinking, which Kanji (2008) addresses, and strategic planning as part of the management domain where goals and actions are (Poister, 2010) clearly defined for measuring performance. Usman (2010) defines performance management as “a process that is controlled by line managers for the improvement of individual performance, organizational performance and team work.
As a criterion for CSR leadership, measurement of CSR performance is paramount (Amagoh, 2009; Usman, 2010 and Neera et al., 2010). This allows organizations to demonstrate a higher degree of transparency, good management, accountability, and ethical behavior (Mulki et al., 2009). CSR leadership is exercised through strategic management (strategic thinking and strategic planning) as organizational leaders are able to use this process as a means of measuring CSR performance. It is up to the organization to establish trust by creating CSR strategies that effectively measures its CSR performance for accountability and transparency.

Methodology

Reporting is fundamental in understanding how an organization is performing, thus, CSR Reports were identified as significant indicators to determine how organizational leadership is exercised within the framework of CSR. CSR Reports were retrieved from websites of organizations identified by Fortune Magazine as the “100 best companies to work for”. It was appropriate to select Fortune Magazine as its recognition of these companies was highly publicized and companies use their rating as a form of accomplishment. Fortune is a global business magazine that was established in 1930. It features specific companies, organizational leaders, and impact the way individuals think about the business environment. One of the well-known activities of Fortune magazine is its annual rankings of “Fortune 500 companies, by gross revenue, and the “Best Companies to Work For”. Fortune magazine is an integral source of knowledge for organizations and stakeholders. As Fortune Magazine provides readers with an understanding of the economy, business strategy, and insight on decision-making, it can be regarded as highly influential in shaping stakeholders’ opinions and views about organizations.

CSR Reports were retrieved from the website of each of the company that selected for the study. Today, the Internet is by far one of the most efficient ways of obtaining information about
an organization. Communication technology is in its prime, making the virtual boundary between the organization and its stakeholders narrow. As a result, an organization is structured in order to present information to positively impact its performance. A CSR Report has the potential of influencing one’s opinion of the organization. As these organizations are highly structured and organized, their CSR Reports were valid means for evaluating CSR leadership.

Although majority of the organizations provided information about their socially responsible activities, most did not claim that the information posted were “Reports”. 14 out 100 organizations were identified as having CSR Reports, as their CSR documents were marked “Report” on the title page. By clearly identifying the information provided as a “Report” this validates the attempt to fairly explore how these organizations exercise CSR leadership. The organizations selected for the study were General Mills and CH2M in 2011, KPGM, Intel, Starbucks, Microsoft in 2010, Recreational Equipment, Qualcomm, Accenture, Mattel, Microsoft, and National Instruments in 2009, American Express in 2008. Organizations had various titles under which they provided socially responsible reporting. The reports were entitled “Corporate Social Responsibility Report”, “Stewardship Report”, “Global Social Responsibility Report”, “Environment Report, Social & Governance Report”, “Citizenship Report”, “Ethics & Compliance Report”, “Sustainability Report” and “Global Responsible Report”. The organizations were from diverse industries such as retail (food, computer hardware/software, and toys/games); manufacturing (food/beverage, computer hardware, construction, and computer); service (telecommunication, financial, engineering, computer software, and management).

14 CSR Reports were analyzed using 8 Strategic Indicators, which were Senior Statement, Vision, Key Issues, Goals, Objectives, Targets, and Reporting Parameters, and Personnel. Some of the components of strategic management were taken from Kanji’s Leadership Excellence
Model (LEM) as well as the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines. The purpose of the GRI Sustainability Reporting Framework is to provide guidance to organizations in how they disclose their sustainability performance. This Framework is used globally by organizations of all sizes and sectors to produce sustainability reports (http://www.globalreporting.org, 2011). Questions were formulated to guide the study when identify the Strategic Indicators.

Table 1: Criteria for Identifying Strategic Indicators in CSR Reports

<table>
<thead>
<tr>
<th>Strategic Indicators (SI)</th>
<th>GRI Requirements</th>
<th>Questions created by study to identify SI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senior Statement (SS)</td>
<td>GRI requirement: Statement from the senior decision-maker of the organization about relevance of sustainability to the organization.</td>
<td>Is there a written statement of the most senior decision-maker in the organization?</td>
</tr>
<tr>
<td>Kanji and Sa (2001) LEM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vision (V)</td>
<td>GRI requirement: Senior decision-maker Statement should present an overall vision of the organization. Definition of vision: Some achievement or some future state that the organization will accomplish or realize. It inspires, clarifies, and focuses the work of an organization for a significant time. Cartwright &amp; Baldwin (2006).</td>
<td>Does the senior decision-maker make any futuristic comments regarding the continuation of CSR?</td>
</tr>
<tr>
<td>Kanji and Sa (2001) LEM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Key Issues (KI)</td>
<td>Description of key impacts, risk and opportunities: Significant impact the organization has on sustainability and associated challenges and opportunities.</td>
<td>Does the CSR Report addresses the challenges and opportunities pertaining to the CSR activities?</td>
</tr>
<tr>
<td>Kanji and Sa (2001) LEM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Goals (G)</td>
<td>Targets for the next reporting period and midterm goals related to the key issues.</td>
<td>Does the CSR Report present measurable goals per CSR interest?</td>
</tr>
<tr>
<td>Kanji and Sa (2001) LEM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Objectives (O)</td>
<td>GRI requirement: Targets for the next reporting period objectives related to the key issues.</td>
<td>Does the CSR Report present any overall plan for each CSR interest?</td>
</tr>
<tr>
<td>(Fairholm, 2010)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Target (T)</td>
<td>GRI requirement: Measure performance against target (prior goals &amp; objectives)</td>
<td>Is there any measurement of CSR performance against prior goals (eg. budget, task)?</td>
</tr>
<tr>
<td>GRI Reporting Index</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Reporting Parameters (RP) GRI</td>
<td>GRI requirement: Data measurement techniques and the bases of calculations.</td>
<td>Does the CSR Report have a section in which it discusses its data/report?</td>
</tr>
<tr>
<td>Reporting</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personnel (P)</td>
<td>GRI requirement: Contact point for questions regarding the report or its content</td>
<td>Does the CSR Report provide a contact person whom one contact about the report or the organization’s CSR agenda?</td>
</tr>
<tr>
<td>GRI Reporting</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Data Analysis

Table II illustrates the 14 organizations that were selected for the study as they had CSR Reports. The Xs in the table indicate organizations that address particular SIs on the CSR
Reports. An organization with more Xs indicates a stronger strategic approach in managing their CSR activities than those with fewer Xs. The data also illustrates the types of strategic indicators that are common among the organizations; for example, Senior decision-maker Statement (SS) is the most popular Strategic Indicator while Key Issues (KI), Target (T), and Personnel (P) having only addressed by 4 organizations are the least popular. The organizations shown as having a weak CSR strategic agenda were American Express, General Mills, Pricewaterhousecooper, KPMG, and Accenture, as they only addressed between 1 and 3 Strategic Indicators. The organizations reflecting a strong strategic plan for their CSR were National Instrument with all 8 SI, Microsoft with 8 SI, and Intel also with 8 SI.

7 Table II: Organizations’ SI response in CSR Reports

<table>
<thead>
<tr>
<th>Organizations</th>
<th>Title of CSR Reports</th>
<th>SS</th>
<th>V</th>
<th>KI</th>
<th>G</th>
<th>O</th>
<th>T</th>
<th>P</th>
<th>RP</th>
<th># of SI (per org.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>REI</td>
<td>STEWARDSHIP REPORT</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>4</td>
</tr>
<tr>
<td>Goldman Sachs</td>
<td>ENVIRONMENTAL, SOCIAL AND GOVERNANCE REPORT</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>3</td>
</tr>
<tr>
<td>Qualcomm</td>
<td>SOCIAL RESPONSIBILITY REPORT</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>3</td>
</tr>
<tr>
<td>American Express</td>
<td>CORPORATE CITIZENSHIP REPORT</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>2</td>
</tr>
<tr>
<td>Intel</td>
<td>CORPORATE RESPONSIBILITY REPORT</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>x</td>
<td>x</td>
<td>8</td>
</tr>
<tr>
<td>General Mills</td>
<td>CORPORATE SOCIAL RESPONSIBILITY REPORT</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>2</td>
</tr>
<tr>
<td>Mattel</td>
<td>GLOBAL CITIZENSHIP REPORT</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>4</td>
</tr>
<tr>
<td>Microsoft</td>
<td>CITIZENSHIP REPORT</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>x</td>
<td>x</td>
<td>8</td>
</tr>
<tr>
<td>Pricewaterhousecooper</td>
<td>CORPORATE RESPONSIBILITY REPORT</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>2</td>
</tr>
<tr>
<td>National Instruments</td>
<td>CITIZENSHIP REPORT</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>x</td>
<td>x</td>
<td>8</td>
</tr>
<tr>
<td>KPMG</td>
<td>ETHICS AND COMPLIANCE ANNUAL REPORT</td>
<td>x</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>1</td>
</tr>
<tr>
<td>CH2M Hill</td>
<td>SUSTAINABILITY REPORT</td>
<td>x</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>6</td>
</tr>
<tr>
<td>Starbucks</td>
<td>CORPORATE SOCIAL RESPONSIBILITY REPORT</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td>X</td>
<td></td>
<td>x</td>
<td>x</td>
<td>x</td>
<td>6</td>
</tr>
<tr>
<td>Accenture</td>
<td>CORPORATE CITIZENSHIP REPORT</td>
<td>X</td>
<td>X</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>x</td>
<td>3</td>
</tr>
<tr>
<td>Total # of SI</td>
<td></td>
<td>14</td>
<td>8</td>
<td>4</td>
<td>9</td>
<td>5</td>
<td>4</td>
<td>4</td>
<td>13</td>
<td></td>
</tr>
</tbody>
</table>

Findings

With majority of CSR Reports containing formal Senior decision-maker Statements, this demonstrates organizational leaders’ awareness of their role in supporting CSR initiatives. This
can be influential in shaping organizational culture and stakeholders’ perception of the organization. The tone of the CEO or Chairperson statements diverse and can be important to determining how one perceives the organizational culture toward CSR. Microsoft and National Instruments CEO provided highly engaging statements to connect with shareholders and stakeholders. They personalized their statements by speaking in the ‘first person’ at times; furthermore, the tone in both statements was energetic and enthusiastic as they discussed their obligation to society and responsibility to the next generation.

Forward-thinking phrases within statements of Senior decision-makers were important in determining if the organization had a Vision. The CEO of National Instruments demonstrated that the organization had a vision by stating that “We move into the future with the confidence that our attention and commitment to our mission will serve our company and our stakeholders while helping us leave the world in better shape than we found it.” Intel had a good visionary comment with the CEO reporting that, “Looking ahead, we will continue to address challenges in reducing water use and chemical waste in our operations as we grow, and to drive leadership in supply chain responsibility. As part of our effort to operate with the gentlest environmental footprint possible, we will explore new ways that we can apply our technology—along with the considerable energy and talents of our employees—to improve economic and environmental sustainability, and to transform education and technology access around the world.”

Communicating the vision of the organization provides some assurance commitment by the leadership to the CSR agenda.

Despite the high level of skepticism that stakeholders have regarding CSR initiatives only National Instrument, Recreational Instrument, Intel and Microsoft presented the Key Issues, discussing their CSR challenges and opportunities. This demonstrated some level of transparency
and even trust that the stakeholders will not judge their weaknesses, but appreciate and respect the integrity of their reporting. Microsoft, for example reported some compliance issues, and corrective actions taken. Key Issues provide the opportunity for organizations to be forthcoming about the challenges of exercising or implementing social and responsible principles and how these issues can impact the organization.

In order to effectively measure performance, it was critical to demonstrate what actions have been taken to address the established goals and objectives. Most of the organizations were vague in presenting their objectives. Intel, Microsoft, Recreational Equipment, National Instruments, and CH2M Hill articulated what their objectives were pertain to the each CSR initiative. As Goals and Objectives are intrinsic components of any strategic process, many failed to provide quantitative goals (identifying targets). American Express, Mattel, Pricewaterhousecooper, Goldman Sachs, and Qualcomm presented CSR goals that they were had no targets. Simply stating that an organization will ‘improve’ or ‘address’ a particular CSR initiative (in a given time) was not a measureable goal. Simply providing information (graphs/charts) illustrating how and what the organization performs annually was not sufficient in measuring performance as there is no indication of whether or not they met their Targets. Organizations that were able to construct clearly defined goals were Intel, National Instrument, Microsoft, Starbucks, and Recreational Equipment. Microsoft, for example, stated in the CSR Report: "We Said We Would: Reach 250 million students and teachers across 115 countries/regions through Partners in Learning by 2013 (2003 goal); and We Have: 1) Reached nearly 200 million students and teachers in 114 countries/regions since the program launched in 2003; 2) Expanded the Innovative Schools Program to include 12 Mentor schools, 30 new Pathfinder schools, and 2,500 Breadth schools; 3) Deployed the Partners in Learning Network to
39 countries/regions, making it one of the largest social networks for educators; and 4) Introduced Innovative Teaching and Learning (ITL) research to understand the factors that transform teaching practices and outcomes.” CSR Reports that were highly target-focused stated specifically what they had committed to in the previous year and what was achieved to-date. They measured their CSR performance against Targets (dates, quantifiable actions and resources); furthermore, they evaluated their performance, stating how much was accomplished based on their Target and how they will achieve their goals.

As it pertains to Personnel or contact person for CSR only 4 CSR Reports identified individuals that could be contacted to discuss the report or the organization’s CSR agenda. Having in place an individual or office that can address any CSR Values is important in determining how stakeholders organizational leadership and culture. It can be perceived that an organization that has a more positive attitude towards CSR will try to facilitate questions and viewpoints. Providing a contact person can be an effective way to demonstrate openness to opinions and ideas. In the CSR Report, showing organizational charts without contact information of those responsible of the CSR initiatives was seen as failing to address this Strategic Indicator in the CSR Report.

The reliability and validity of any report is crucial. This study did not have any criteria for the Report Parameters. It was only interested in finding out if these organizations discussed their report, whether formally or informally. Some of the Reporting Parameters addressed the report format, methodology, purpose, and compliance under the subheading of “Report Parameter” or “About This Report”. Although more than half of the organizations in this study acknowledged GRI Index Reporting as a guide for creating the CSR Reports, their Reporting Parameter, like their CSR Reports were distinctly different in format and content.
Given that only a small amount of organizations provided CSR Reports, it is evident that CSR within the management domain is still a new phenomenon. This demonstrates that CSR leadership is a practice that is rare. As the rewards are not immediate, organizational leaders are still struggling with CSR as a strategic approach for organizational development. Although organizations may display support at the executive level, the study finds that little strategic leadership existed within most of organizations with CSR Reports. Organizations that addressed most of the Strategic Indicators were highly engaged and focused on being more of “Stewards”, surpassing the need to only be compliant. Their CSR Reports were not only highly informative about their performance, but was also detail about how goals were met. Microsoft, National Instruments and Intel provided the most comprehensive CSR Reports. They demonstrated that not only are they high performers of CSR, they are also effective strategic leaders who have positioned CSR a project or program management function that is aligned with the organizational core values.

**Implications for HRD**

As the issue of CSR becomes more vital to organizational performance, it would be significant to understand the role of Human Resource Development (HRD) in this major organizational undertaking. It might be beneficial for HRD to begin discussing its role in CSR as its function is one the most qualified in organizations to address some of the challenges to effectively develop CSR. HRD’s involvement can diminish the PR rhetoric and work on building trust between the organizations and stakeholders by addressing the following: 1) HRD has been always responsible for leadership development. 2) It is necessary for HRD to lead in the CSR strategic planning as it is inextricably linked to employees; in that CSR activities are generally performed by employees; 3) Having a history of developing employees, HRD has the talent to
identify CSR values that motivate employees. This can create meaning to the person as he or she strives to become a self-actualized person; 4) HRD can act as a facilitator when diverse departments are establishing their CSR goals as they must be aligned with organization’s CSR strategic plan.

Conclusion

It is clear that organizational leaders are communicating with stakeholders about their commitment to CSR; however, that fact that many organizations do not have a CSR strategic plan could indicate a lack of understanding or misconception of CSR. The few organizations that provided demonstrated the highest level of CSR strategic management had certain qualities in common: Their CSR Reports are done annually; the senior leaders are clear about the vision of the company in the area of CSR, communicating a sense of pride to be part of social change for the next generation; they are proactively engaged with stakeholders’ values, going beyond compliance; these organizations provide highly detailed CSR Reports that reflect strong strategic management, which demonstrates that they set high standards for both their CSR activities CSR performance measurement; they critique and evaluate their own performance and candidly discuss their strengths and weaknesses, and how they intend to improve; they comply rigorously with Global Reporting Initiative (GRI) . These leaders realize that CSR has the potential to impact their bottom-line. As a result, there is a need to educate leaders about CSR, the implementation of strategic plans, and provide facilitation of CSR initiatives at all levels within the organization.
REFERENCES


