

Corporate Responsibility in Difficult Times — Why Employee Engagement Is Crucial

Many have suggested that our current economy is the result of a series of bad decisions and unregulated wheeling and dealing, which led to the collapse of what was essentially an economic house of cards. Despite a slight rise in consumer confidence, public trust and confidence in corporate America remains weak. Announcements by the Obama administration to curb credit card lending practices and increase vehicle fuel efficiency reflect a hope that greater government oversight will bolster consumer confidence. Yet corporate reputations are in tatters.

When it comes to corporate trust, no one is willing to write a blank check anymore. Companies are even having trouble securing support within their own walls. In many cases, employees today are among a company's greatest skeptics, with the threat (or reality) of layoffs and budget cuts looming. Given this, retaining a talented work force and keeping employees productive is no easy feat, particularly for institutions already hemorrhaging profits.

What lessons can business take away from the experience? From the dust of the financial crisis, a new "era of responsibility" is rising. At a time when trust in the private sector is at a low point, successful companies can earn stakeholder confidence by renewing their focus on corporate responsibility (CR) and employee engagement. We must look toward the future, preparing now to emerge from the current storm more fiscally prudent, more values-driven and more transparent than ever. In the emerging era of responsibility, these traits are the new definition of success.

Invest in Corporate Responsibility Initiatives

This is not the time to push aside CR initiatives for another day. Authentic CR programs are critically important in today's operating environment. Ultimately corporations that realize the importance of integrating CR into day-to-day operations will gain real business value and also drive societal change. As Fortune reported in its Jan. 20 issue, in spite of financial challenges, many major corporations are not discarding CR commitments. "You can't save your way out of a recession," said Intel Corporation chairman Craig Barrett in the article. "You have to invest your way out."

We are seeing smart companies continue to invest in authentic programs designed to support business strategy. Take Chevron Corp., for instance. For more than a decade, the company has been an active participant in programs to support global health initiatives — primarily HIV/AIDS, tuberculosis and malaria. Aside from substantial monetary commitments, Chevron has developed sustainable programs and partnerships in many of its local communities. These programs include customized workplace- and community-based education, awareness-building, disease prevention, and treatment programs reflective of local needs and priorities. Why? Because Chevron recognizes that these epidemics are affecting its work force, their families and communities. For example, TB rates in the Philippines have grown dramatically, posing a significant threat to the economy and people of the country — and therefore to Chevron's operations. To help curb the impact of the disease Chevron has partnered with the Tropical Disease Foundation in the Philippines to educate employees and community members to increase TB awareness and to provide insight into treatment opportunities.



Jaycee Pribulsky is vice president, Corporate Responsibility, WE Social Innovation Practice, at Waggener Edstrom Worldwide in New York City. She partners with clients to develop their corporate responsibility and sustainability efforts including program development, stakeholder engagement, messaging and corporate responsibility reporting. Contact Jaycee at jpribulsky@waggeneredstrom.com to learn more about Waggener Edstrom Worldwide's Corporate Responsibility capabilities.



Monica Lin-Meyer is account director, Internal Communications, Global Corporate Practice, for Waggener Edstrom Worldwide in Seattle. She partners with clients on employee engagement, change management, executive messaging, crisis and issues communication, corporate publications and employment branding. Contact Monica at mmlinmeyer@waggeneredstrom.com to learn more about Waggener Edstrom Worldwide's internal communications and employee engagement capabilities.

Make Employees Part of Your CR Story

If corporate responsibility is about solving business and social challenges, then it must begin close to home — in how companies engage employees. Employees are viewed as the most credible proponents (or opponents) of your brand. Unlike external stakeholders, employees have an internal view of the company's CR commitment. That's why employees will always be your most important constituency — even above your customers.

Engaging their active participation begins with open communication about tough issues — namely, the CR opportunities and challenges your organization faces. Too often, companies seek to tout their CR successes while concealing the difficulties. Why not allow employees the opportunity to provide input and help develop solutions? This approach reaps dual rewards. First, it demonstrates the company's commitment to CR in an authentic and powerful way. Second, it creates an "army" of CR champions, which leads to positive changes in individual behavior as well as operational and strategic shifts. That's why we have come to believe that *telling* the CR story to employees is less important than simply *making them a part of the story*.

At a time when mass layoffs are making daily headlines, authentic corporate responsibility initiatives are a unifying theme that can help boost morale and productivity. In the era of responsibility, a growing number of employees want to work for companies that not only are financially healthy, but also have a strong moral and social compass. According to a recent PricewaterhouseCoopers survey, "Millennials at Work," 88 percent of the millennial generation seeks to work for companies with social responsibility values that reflect their own. So tell your employees what CR means in your company, why it is good for business, what the challenges are and how employees can get involved.

Final Thoughts

If there's one lesson from this moment in history, it is the value of a "back to basics" model. We suggest that CR is a part of this movement — a fundamental business strategy that is core to an organization's long-term performance.

A Dec. 18, 2008, article in PRWeek quotes Vivek Varma, senior vice president of public affairs at Starbucks Corp.: "During these difficult times and in terms of the world financial crisis, it's more important than ever to stay true to brand virtues. I think it's the natural human and consumer condition to want to do business with companies that you know and that you have an amount of trust with."

As the economy picks back up (and, yes, it *will* come back around), forward-thinking organizations will have taken the time to get their CR houses in order and invested in internal communications to tell their CR story. These are the organizations that will be differentiated — and ready to meet the opportunities ahead.