THE ROLE OF HUMAN RESOURCES MANAGEMENT IN CORPORATE SOCIAL RESPONSIBILITY

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- Corporate social responsibility:

 "Corporation's initiatives to assess and take responsibility for the company's effects on environmental and social wellbeing." Investopedia
- Human Resources Management: "The process of hiring and developing employees so that they become more valuable to the organization." BusinessDictionary

- The main goal for a company is to generate profit which requiring human, material and financial resources.
- Why CSR has to be integrated inside the company?
- What is the HR role in the CSR development?
- Which HR management responsible for the CSR development?

- I) Trend, Drivers and Business Case
- II) Corporate Culture Implementation
- III) Skill and performance management for CSR
- IV) Conclusion

CSR benefits for a company:

Motivating - Developing - Retaining

Examples:

Novo Nodisk, pharmaceutical company in Denmark: 5% drop in staff turnover.

Sears, an American retailing group: 20% reduction in staff turnover

- Employee engagement in planning CSR
- Development of skill
- "Change the World "values

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- Attract and retain bright employees
- Costs of not caring about
- CSR activities > Salary
- Reputation customers, shareholders, employees

IMPLEMENTATION

Vision, Mission, Value & CSR Strategy

- First thing to do
- Role of HR: drive the CSR formulation
- Example: Novo Nordisk

Employee Codes of Conduct

- Role of HR: Drafting and implementing employee codes of conduct.
- The only mandatory element
- Example: 3M Business Conduct Policies

Change management and corporate culture

HR role: Guide for corporate culture, team building and change management processes.

Nancy Lee Model: CSR Management Program Change:

- A) Those that have the value and the behaviour.
- B) Those that have the value but not the behaviour
- C) Those that do not have the value or the behaviour

(Nancy Lee 2008)

Employee involvement and participation

Employee Engagement Pyramid from Melcrum:



I AM COMMITTED TO ACT

I BELIEVE

Employees are familiar with the CSR strategy and how it helps the company meet its objectives.

I UNDERSTAND THE MESSAGE

Employees learn the reasons behind the company's CSR objectives and begin to understand their role in making the company successful.

I'M AWARE OF THE MESSAGE

Employees are familiar with the CSR strategy and how it helps the company meet its objectives.

EMPLOYEE ENGAGEMENT PYRAMID

Adapted from Melcrum, 2006, p. 9.

HR role: Drive policy development and program implementation.

Programs development:

- -Wellness Programs
- -Employee Volunteering Programs

Workforce planning and recruitment

Orientation, training and competency development

Compensation and performance management

Analyzing present and future workforce competencies.

Orientation: Clear line overview with the employee.

HR role: Monitoring results to performance objectives.

Promoting the benefits of working within a values-based culture.

Competency development: <u>Direct</u> or <u>Indirect CSR</u> <u>responsibility</u> to employees.

Example: Vancity Credit Union adds the integration, responsibility and integrity in their annual performance plan.

Identify CSR competencies.

HR tools : Reward and Recognition.

Employee Communications

Employee Communication Program: To corporate <u>Direction</u>, <u>Objectives</u>, <u>Innovation</u> and <u>Performance</u>.

Close the clear communication gap with communication tools.

Measurement, Reporting & Celebrating

Measure and Publish: CSR Performance and Employee CSR Engagement.

- -Use Human Capital Metrics
- -Consult employees
- -Celebrate success

- CSR generates growth and better performance inside company.
- No firm can avoid the question of CSR today.
- It must be implemented as a principle of organization and business activities.
- HRM has a major role in CSR integration process as it concerns every sector of the organization.
- CRS success depends on each employee involvement.

NOTOTOTOS

Coro Strandberg, "The role of human resource management in corporate social responsibility issue: Brief and Roadmap", 2009.

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Novo Nordisk, "Business Ethics and Vision and Strategy", 2008

Melcrum: "Engaging Employees in Corporate Responsibility: How the World's Leading Companies Embed CR in Employee Decision-making", 2006

Vancity, Personal communication with Susan Karda: "Manger, Organization Development & Learning", 2009

Investopedia: "Corporate Social Responsibility", https://bit.ly/2AMgDcX

Business Dictionary, "Human Resource Management", https://bit.ly/lunfn2m