CSR & Stakeholder Communication in ESG Development: Opportunities and Challenges

社會企業責任與持份者溝通
在ESG發展下的契機與挑戰

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My 10-year key research contributions

- Research gaps to fill in CSR communication and stakeholder engagement, particularly in Asia Pacific contexts

Routledge
Taylor & Francis Group

Bridging the Gap: An Exploratory Study of Corporate Social Responsibility among SMEs in Singapore

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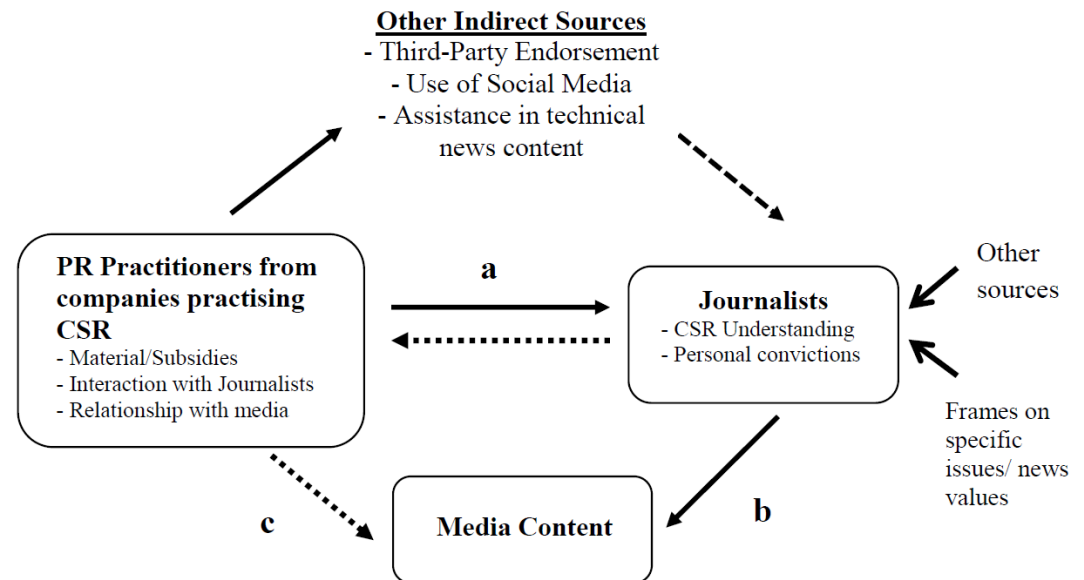
Corporate social responsibility (CSR) among small-medium enterprises (SME) is an overlooked area, despite the latter's emerging prominence as an economic player. To provide a comprehensive analysis of the CSR landscape among Singapore SMEs, a triangulation of 15 in-depth interviews and a self-administered Web survey was conducted among 113 senior executives from top 500 Singapore SMEs (27.2% response). Key findings include (a) moderate awareness but low comprehension of CSR; (b) engagement relevance to immediate stakeholders; (c) individual values, stakeholder relationships, and governmental influences as main drivers; and (d) lack of various resources as key barriers. Implications and future research directions are discussed.

Abstract

Organisations face several impediments when it comes to communicating their corporate social responsibility (CSR) engagement to the public via the media. Using the agenda-building model of Qiu & Cameron (2008), this paper examines public relations practitioners' and journalists' perceptions of CSR communication. Fifteen interviews with media professionals and CSR practitioners in Australia were conducted to examine the relationships, tensions and challenges in the process. Findings showed the ineffectiveness of agenda building, as journalists might dismiss a CSR story because of time constraints, a prevalence of other news, wariness of commercialism, lack of interest in pursuing the details, or mistrust of public relations as a source of information. This paper suggests that while CSR activities are newsworthy, practitioners seeking publicity for CSR activities should refrain from using the term CSR, find tailored news angles, show support from top management as spokespersons and develop symbiotic relationships with the media to find a place in the journalism source hierarchy.

- **Mak, A. K. Y.**, Pang, A., & Hart, E. (2015). Communicating corporate social responsibility: Agenda building in Australia. *Australian Journalism Review, 37*(1), 149-163.

Figure 2: Modified Agenda Building Model towards CSR communication in Australia

Other Indirect Sources
- Third-Party Endorsement
  - Use of Social Media
- Assistance in technical news content

PR Practitioners from companies practising CSR
- Material/Subsidies
- Interaction with Journalists
- Relationship with media

a

Journalists
- CSR Understanding
- Personal convictions

Other sources

Frames on specific issues/ news values

c

Media Content

b

Abstract

Using the Circuit of Culture as a guiding framework, this study highlighted how MNCs in Asian developing countries engage and negotiate with local stakeholders as they implement their CSR initiatives. Twenty-one qualitative semi-structured interviews were conducted with PR practitioners responsible for CSR projects in Asia. Thematic analysis was used to identify themes related to the framework elements. Results demonstrated how MNCs practice CSR in Asia through the five moments (identity, regulations, production, representations, and consumption). MNCs faced a number of dialectical tensions (e.g. following the country's laws, lack of CSR comprehension among employees, and resistance from the stakeholders). Effective strategies to embrace the local cultures and manage dialectical tensions were discussed and a proposed dialectical model for international CSR practice was developed.

- **Mak, A. K. Y.**, Chaidaroon, S., & Pang, A. (2015). MNCs and CSR engagement in Asia: a dialectical model. *Asia Pacific Public Relations Journal, 15*(2), 22-36.

A Dialectical Model of International CSR Practice for MNCs

CSR Strategies
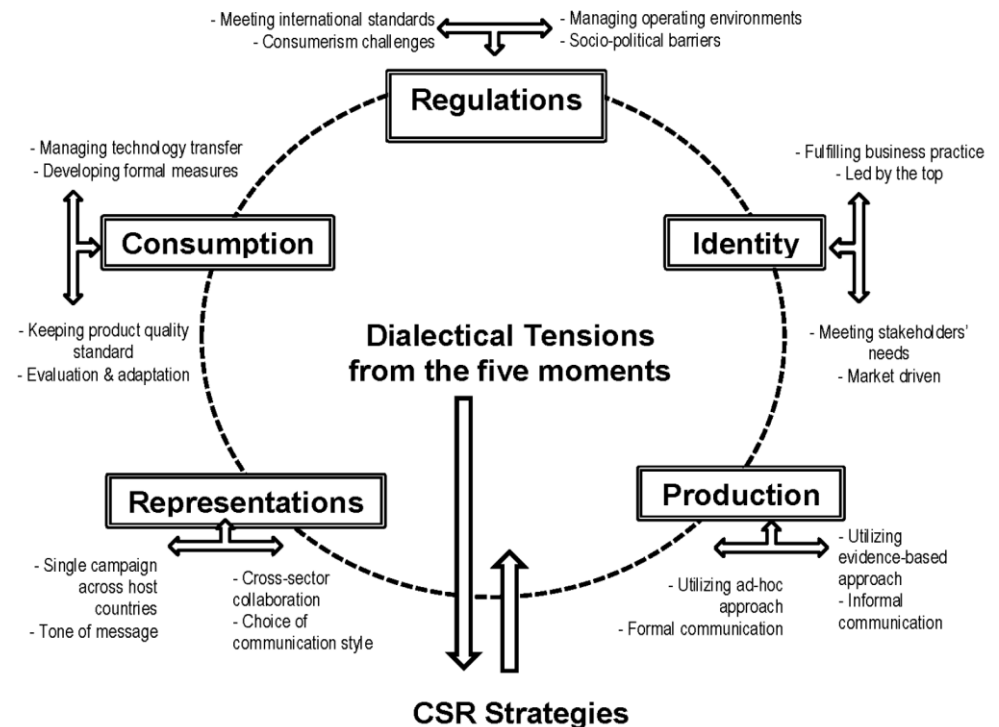
CSR vs ESG

- Corporate social responsibility

- CSR is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. There are various international bodies providing frameworks for corporates to adopt, **but it is a self-regulation, and there is no one "right" way corporates can practice CSR.**

- Environmental, Social and Governance 環境、社會、公司治理

- The ESG issues were first mentioned in the 2006 United Nation's Principles for Responsible Investment (PRI) report. It was the first time that ESG criteria was required to **be incorporated in the financial evaluation of companies**. Since then, the emphasis on ESG is increasingly growing, and the COVID-19 crisis has uplifted ESG matters to a new level, causing short-term ESG repercussion and longer-term shifts.

- Hong Kong Exchange and Clearing (HKEX) in July 2020 required every listed company to provide a board statement setting out the consideration of environmental, social and governance (ESG) matters.

HKEX ESG Reporting Guide

ESG Category	ESG Disclosure Topics
Environment 環境保護	Emissions, Use of Resources, The Environment and Natural Resources, Climate Change, Energy Use Efficiency, Renewable Energy and Reduction of Waste
Employment and Employee Care 關懷員工	Employment Policies and Regulations, Health and Safety, Development and Training, Labor Standards and Welfare, Supply Chain Management, Diversity, Inclusion and Equality
Community Investment and Engagement 關懷社會	Product Responsibility (quality, safety and accessibility) to Customers, Community Involvement Focus Areas of Contribution and Resources Contributed, Promotes Better Standards and Social-Economic Development, Volunteer Services, Stakeholder Engagement Approach
Governance and Anti-Corruption 企業管治	Management Structure and Diversity, Board Oversight of ESG Issues, Transparent and Balanced Disclosure, Integrate ESG and Climate Risk in Business and Risk Management, Anti-bribery and Anti-corruption, Independent Whistle-Blowing Mechanism

Challenges/Opportunities

- Voluntary ➜ mandatory in reporting + ESG measures

- Managing stakeholder interests and concerns (i.e. stakeholder engagement in ESG reporting)

- Meeting international reporting standards (e.g. GRI and SASB)

- Global vs. local vs. glocal communication (i.e. adaptation, adjustment, negotiation, etc.)

- What has been done **<** how to communicate

- Aspirational (Talk)-Action conflictual relationships
  - MNCs vs. host countries
  - Locally listed companies vs. go international

Understanding organizational and socio-cultural contexts: A communicative constitutive approach to social license to operate among top Hong Kong companies

Angela K.Y. Mak [a] ✉, Suwichit (Sean) Chaidaroon [b], Alessandro Poroli [c], Augustine Pang [d]

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- Approaching social license to operate through a constitutive view to communication.
- Provided socio-cultural meanings in SLO via engagement.
- Explored the construction of engagement and aspirations in SLO.
- Situated in an East-Meets-West cultural context for cultural discourse analysis.
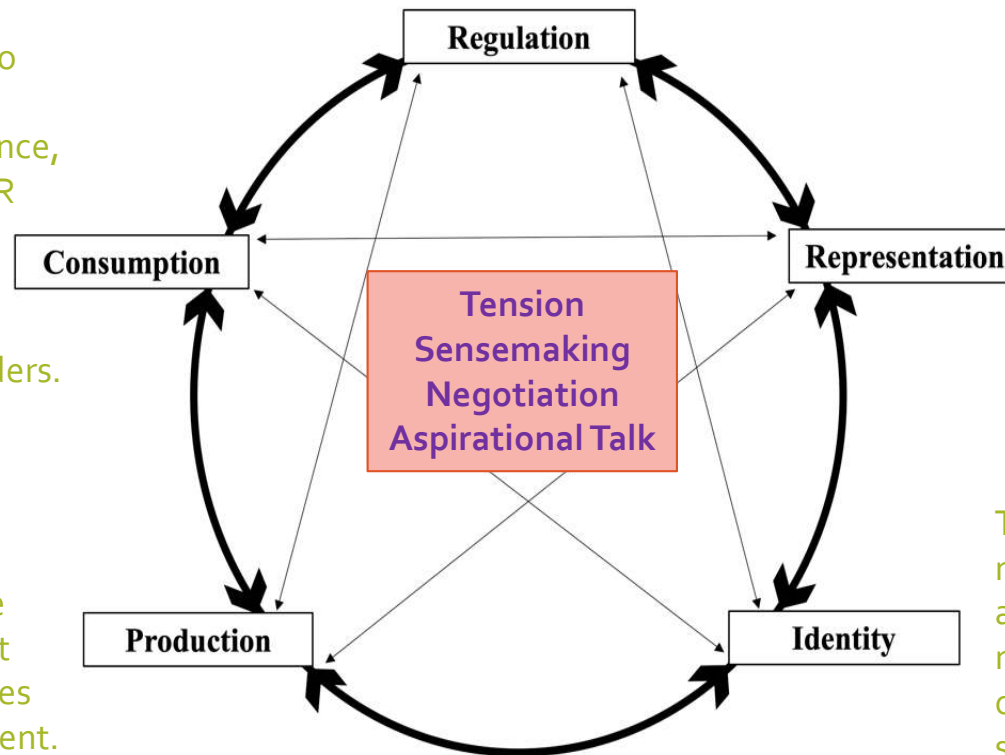
The Circuit of Culture (COC) x Communicative Constitution of Organization (CCO)

This may include both formal requirements possibly from the organization and local government as well as the unspoken rules that people in the local communities take for granted.

Consumption refers to the adoption of collaboration, assistance, and benefits from CSR activities among the employees, NGO partners, and local community stakeholders.

The discursive process by which cultural meanings are generated and given shape as illustrated in symbols and language that reflect ideology and value.

How CSR messages are constructed by the best practices CSR companies can illustrate this moment.

The ongoing process of negotiating and assigning shared meanings to an object or group including stakeholders and other network members.

Regulation

Consumption

Representation

Tension Sensemaking Negotiation Aspirational Talk

Production

Identity

Figure 1: Circuit of Culture