Research into Corporate Social Responsibility (CSR) has increased as organisations recognise the importance of such activities and attempt to understand how engaging in CSR programs can have a positive effect on their business. Much of the current research shows that organisations with CSR programs in place hope to achieve among other things increased customer loyalty and engagement, high calibre employee attraction and retention and a buffer against any stakeholder backlash in crisis management situations (Schlegelmilch & Pollach, 2005; Sprinkle & Maines, 2010; Weber, 2008).

While many researchers write of the benefits of such programs, there are also associated costs to be considered. Financial and other outlays for CSR programs are varied and depend on the type of CSR being engaged in, the scope of the activity and amount an organisation is willing to invest. Servaes and Tamayo (2013) note that the costs of engaging in CSR activities is high writing that “CSR activities are costly and that costs do not (always) outweigh the benefits”. Sprinkle and Maines (2010) note that CSR programs can cost an organisation through cash outlays, as well as a reduction in cash coming. CSR programs can cost in many various ways, including cash or product donations, employee time or environmental activities such as using “green” processing techniques or recycled goods. Schlegelmilch and Pollach (2015) note empirical research shows that “expenses for social responsibility have become the third largest budget item of corporate communication departments in large companies” (p.267). How these costs are accounted for is important within an organisation. With any outlay or cost, an organisation needs to be able to gain a clear picture of what the benefits actually are. Weber (2008) believes that the benefits of effective CSR programs are enough that organisations should develop KPI’s around certain indicators including organisational reputation and employee attractiveness, motivation and retention.

Research indicates that CSR activities are becoming increasingly important in employee relations (ter Hovern & Verhoeven, 2013). Weber (2008) writes that as well as directly affecting the attractiveness of the organisation to potential employees, CSR programs can also indirectly affect the attractiveness of the organisation. However, for this to be an effective employee/employer relationship tool, some aspects of CSR program implementation need to be considered. Bhattacharya, Sen and Korschum (2008) note that often not enough about these programs is communicated to employees, employee diversification in selecting CSR programs is not considered, a lack of understanding of how such programs can positively affect employees and an authoritative rather than mutual CSR program design is used. ter Hoven and Verhoeven (2013) note that CSR programs are often difficult to see, so it’s vital that these programs are directly communicated to employees, otherwise the value may be lost. CSR communication programs also offer the opportunity for organisations to communicate a sense of value to their staff. In their article, Sprinkle and Maines (2010) note that these values can include CSR programs involving employee welfare and safety plans. Nielsen and Thomsen (2012) note that CSR messages also help with creating a corporate identity amongst employees. Rodrigo and Arenas (2008) however found in their study that the effects on employees of CSR implementation provided a mixed result. While some expressed positive attitudes, others were indifferent. They noted that the effects seem to be mediated on other factors such as job security. Bhattacharya et al (2008) note that with the increase in corporate investment in CSR programs it makes sense for organisations to ensure that these programs result in positive internal effects as well as externally.

How an organisation uses new media may also affect how successful internal and external reactions are to any CSR programs they’ve invested in. Research undertaken by Cone (2013) found that social media is changing how organisations undertake and promote CSR programs, they report that 34% of consumers use social media to share positive thoughts regarding organisations, 29% to learn more and 26% to voice negative information. They further report that this is more in certain countries, noting that in China 90% of the population use social media to interact with companies about their CSR programs. Nielsen and Thomsen (2010) also found that understanding the effect of country of origin regarding the use of online platforms is becoming increasingly relevant. Saat and Selamat (2014) believe that the increase of research into the area indicates that organisations are aware that stakeholders are trending towards social and web based media, and that it is an area which organisations need to focus on creating rich web designs.

While there is an expanding base of research being undertaken into CSR effects, it is a continuing evolving field. Elving et al (2015) also question the role of media, including new media in presenting an accurate picture of events which may affect how CSR programs are in reality carried out, stating “actions are meant to limit the reputation damage, not necessarily to change business practice or acting responsibly in the future (p.122). Globalisation is also effecting CSR programs being undertaken. In an evolving culturally diverse population CSR programs affecting employee retention, attraction and motivation may need to be re-evaluated. Valax (2012) investigated the impact of the CSR program of McDonalds in China. They found that while McDonalds had a good reputation as an ethical organisation, Chinese operations have been plagued with a reputation as a poor employer and worker exploitation. A key recommendation from the investigation was for such organisations to increase the information flow regarding their positive CSR initiatives. Hall and Jeanneret (2015) suggest that the future of CSR development by organisations lies in implementing a “Social Licence to Operate”, which is borrowed from the mining industry and offers stakeholders a two-way communication path to have a voice in CSR program development. Hall and Jeanneret (2015) note that this CSR style adds accountability and legitimacy to CSR programs and that by being open with stakeholder’s corporate longevity will be increased.

As the field of CSR continues to develop and technology evolves there will always be new ways for organisations to engage in and communicate their CSR activities. By engaging in CSR programs which align with their corporate vision and meet the expectations of the communities they operate within organisations are more likely to get a good return on their investment and a positive outcome.

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