

Leveraging on Corporate Social Responsibility to build a trusted brand

Companies today are spending millions of dollars on Corporate Social Responsibility (CSR) initiatives to not only leverage on CSR to build a strong brand, but also to create or enhance a reputation of being responsible corporate citizens. This is based on the premise that giving back to the community addresses social and environmental concerns and also creates brand visibility and public goodwill. These anticipated results are however not always forthcoming. Companies are receiving a lot of backlash not only from shareholders who do not always see the value of these initiatives but also from rights groups and the very communities who are the intended beneficiaries of CSR projects, who accuse them of renegeing on their promises. How then does today's CSR manager navigate and ensure that CSR initiatives receive the necessary support and have an impact?

A company's CSR strategy must be anchored on the overall business strategy and entrenched in its values, mission and vision. It must also be integrated with the brand strategy to ensure that its objectives are aligned to what the brand promises and is known for. The strategy must also provide avenues for staff engagement, community participation and reflect responsible business practices and corporate governance commitments. Once this is done, the CSR elements should be communicated to all stakeholders and shareholders.

The next step should be involvement. Most CSR initiatives fail to have the desired impact because they adopt a top-down development approach as opposed to a bottom-up one, therefore creating a dependency syndrome and reducing the CSR initiative to charitable giving or just strategic philanthropy.



Top-down development also leads to piloting with multiple initiatives in the belief that what worked in one community can be replicated elsewhere. Ideally, CSR initiatives that take this approach often do not have buy-in from the community and are not sustainable. This not only leads to wastage of funds, but also fails to address the community's needs and interests. Conversely, a bottom-up approach rallies the people and engages the community due to shared interests. The company works hand-in-hand with the community to identify, implement and monitor the impact of the initiative. The bottom-up approach also provides the company with an exit strategy since the community takes full ownership of the initiative, making it sustainable long after the company has left.

CSR initiatives need to go further and provide shared values between the company and the beneficiaries. It is this common ground that the company is able to leverage on the CSR as a key driver of brand preference and harness synergies that make these initiatives sustainable and impactful to the society. To some extent involvement may call for strategic partnerships with other organisations or foundations

that have experience in implementing CSR projects. The company benefits from expertise and management of the project allowing it to focus on its core business. This arrangement also helps create differentiation especially where competitors are implementing similar initiatives and protects the brand and customer in the event of a backlash especially when there are competing interests and limited stakeholder participation. With strategic alignment of CSR activities to the Company's goals, transparency and communication to all stakeholders and involvement of beneficiaries, employees and like-minded organisations, CSR is an important asset that companies can use to build trust and loyalty in the brand and foster meaningful relationships with customers and communities.

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