

Corporate Social Responsibility (CSR)

Who Cares?

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1. What is CSR?
2. How has CSR evolved?
3. Which companies are leaders in CSR?
4. Who is driving development of CSR?

Photo by [José Martín Ramírez C](#) on [Unsplash](#)



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Corporate Social Responsibility (CSR)



“The notion that a company has responsibilities to society that go beyond its legal obligations and its duties to shareholders. These include the company’s impact on the environment, any ethical issues arising from its trading or investment practices, and the policies of the company internally, e.g. with regard to transparency and the fair and equal treatment of employees.”

Law, J. (2018) *A Dictionary of Finance and Banking*. 6th Ed. OUP; Oxford.



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Corporate

- Businesses of all scales

NCEA Business-related concepts

Enterprise

Social

- Human society or the life or welfare of a community
- Living organisms (e.g. animals and plants) and the natural environment

Sustainability

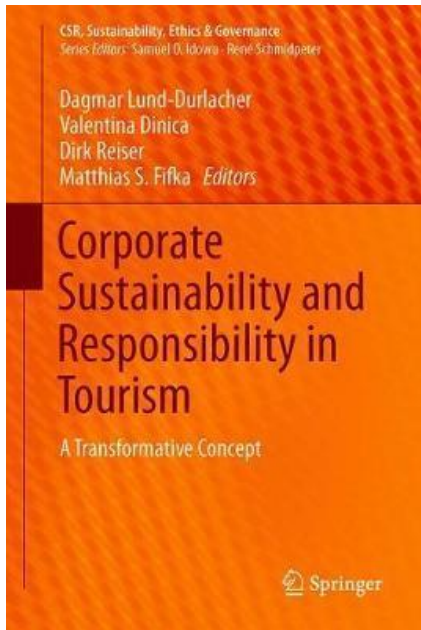
Responsibility

- Businesses being held accountable for what is subject to their power, control, or management.
- Being held accountable to society.

Citizenship

Globalisation

Evolution of Corporate Social Responsibility



Associate Professor
Valentina Dinica,
School of
Government

Dinica, V., Lund-Durlacher, D. & Reiser, D. (2019) 'Challenges for Tourism – Transitioning to Corporate Sustainability and Responsibility', in Lund-Durlacher, D. et al. (Eds) *Corporate Sustainability and Responsibility in Tourism*. Springer. pp.3-27.

Evolution of Corporate Social Responsibility

Greed – **Defensive** – Ad hoc inventions

Philanthropy – **Charitable** – Charitable programmes

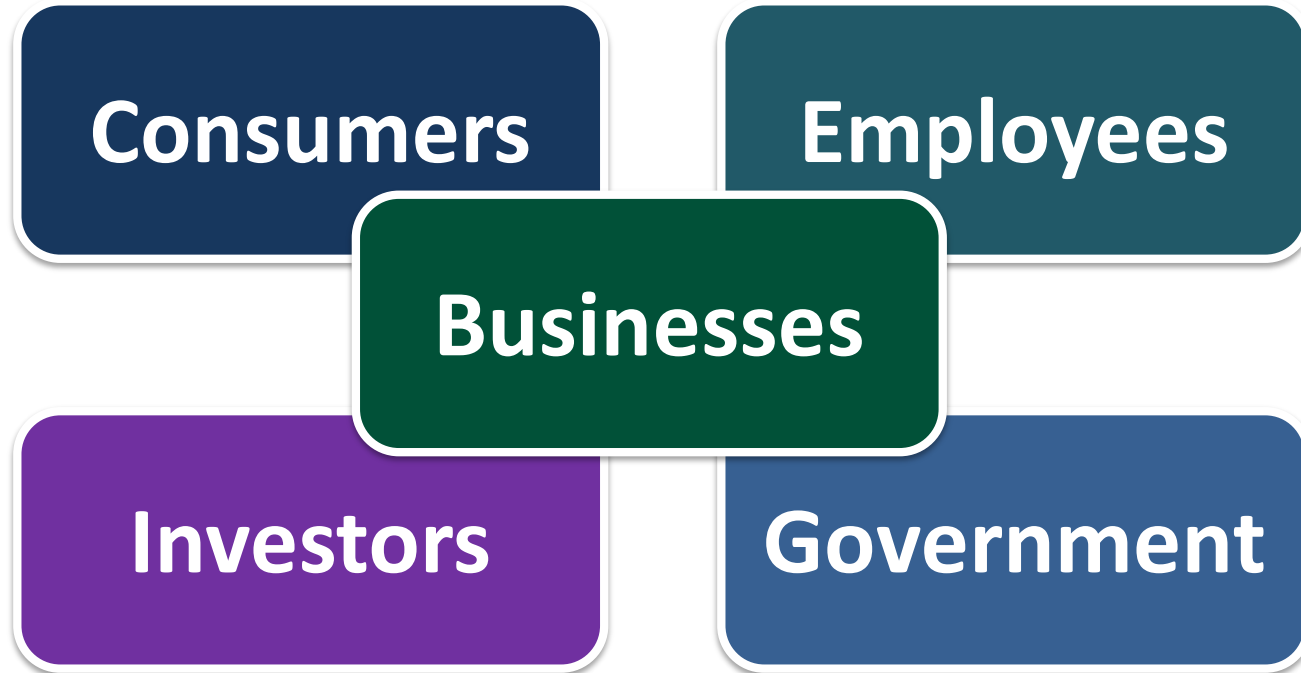
Marketing – **Promotional** – Public Relations

Management – **Strategic** – Management systems

Responsibility – **Transformative** – Business models

CSR 2.0 - Corporate Sustainability and Responsibility

The development of CSR is being driven by:



Businesses

Businesses

Annual Review of the State of CSR in Australia and New Zealand

<https://www2.deloitte.com/au/en/pages/risk/articles/annual-review-csr-australia-new-zealand.html>

Deloitte.



Progress, prospects and impact

How business is preparing
for the Modern Slavery Act

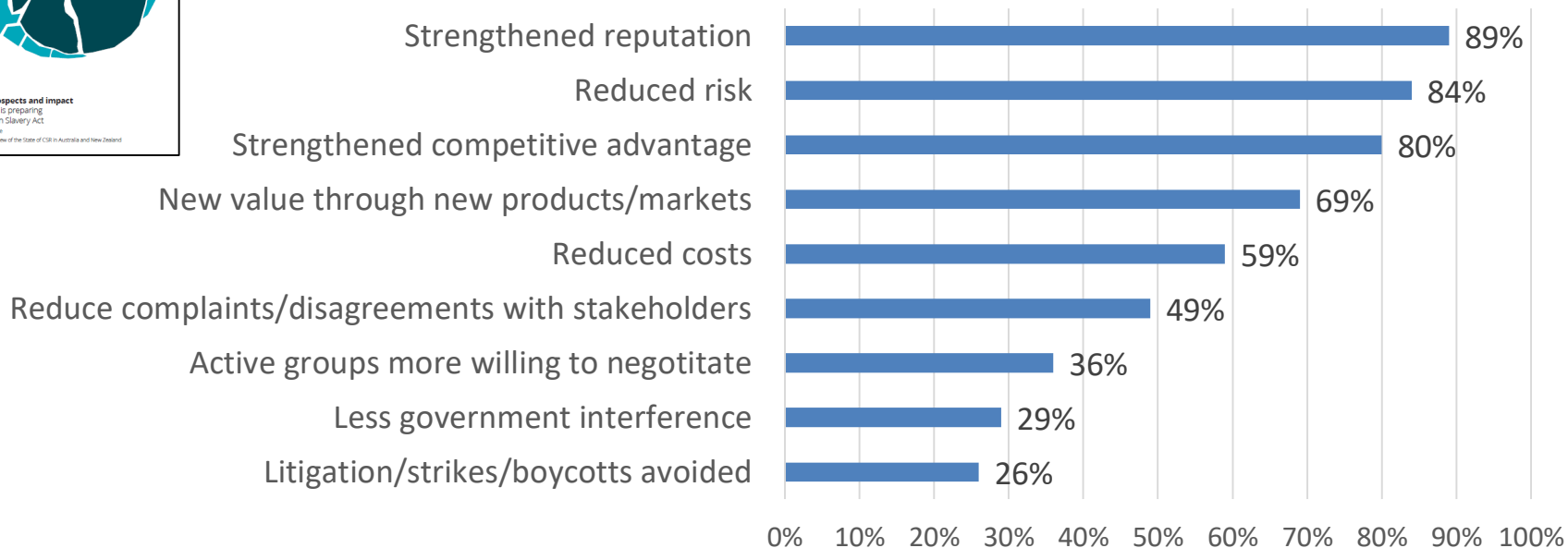
10th anniversary issue

The 2018 Annual Review of the State of CSR in Australia and New Zealand



Business Outcomes from CSR

Annual Review of the State of CSR in Australia and New Zealand (2018)



**Q. Which New Zealand companies do
you associate with CSR?**

Deloitte.



Progress, prospects and impact

How business is preparing
for the Modern Slavery Act

10th anniversary issue

The 2018 Annual Review of the State of CSR in Australia and New Zealand

TOP PERFORMERS

New Zealand

AIR NEW ZEALAND 



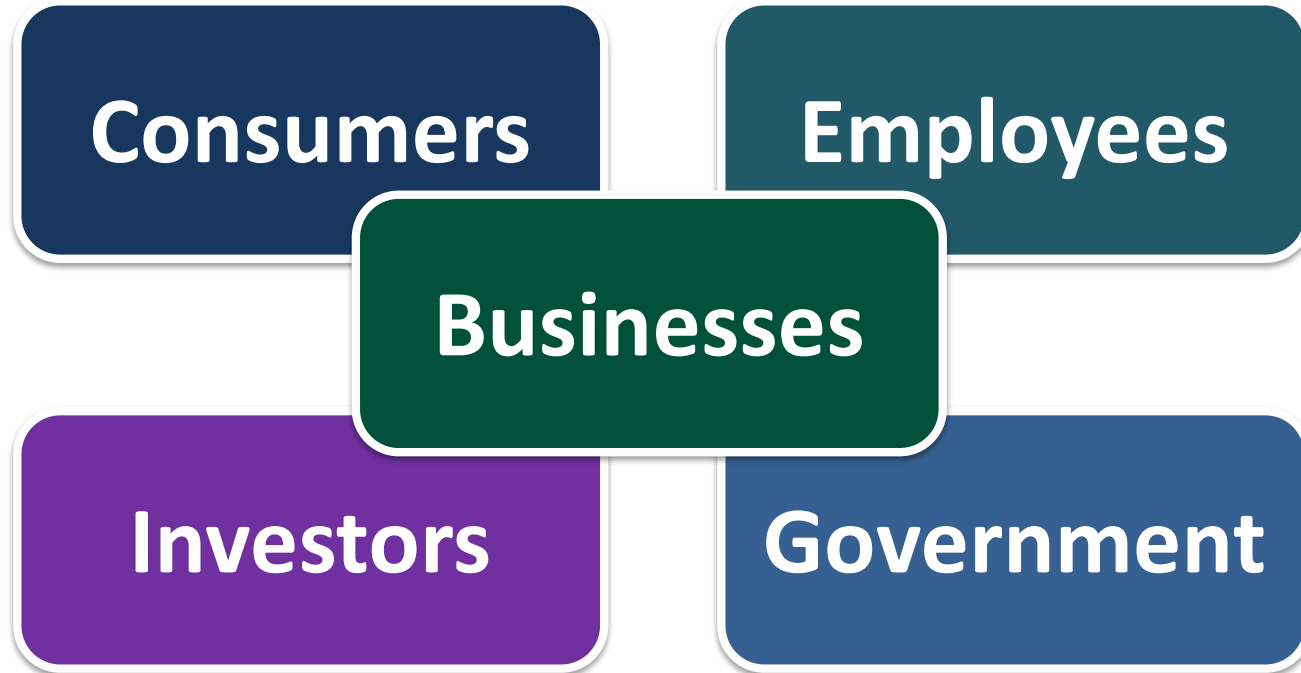
 IS FOR
NEW ZEALAND



Dairy for life



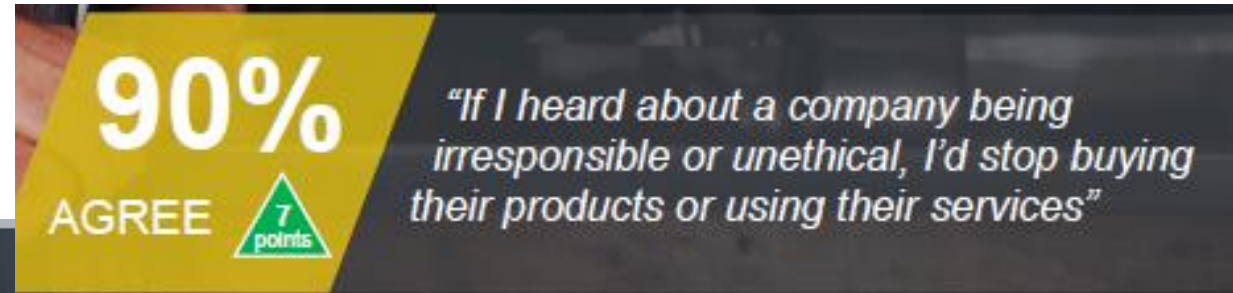
Development of CSR has been driven by:



Consumers



Consumers



<https://static.colmarbrunton.co.nz/wp-content/uploads/2019/05/Colmar-Brunton-Better-Futures-2019-MASTER-FINAL-REPORT.pdf>



The headline issue for
New Zealanders is...

Plastic waste

72%
are concerned

“

“I’m noticing a general
change in people’s
attitudes and practices
towards reusable materials
like containers or straws
or gladwrap.”

“It’s a lot more visible ... things
like how we need to do something
fast to save our environment,
especially when it comes to plastic.”

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#1LessStraw
One Less Straw
 PLEDGE

A campaign brought to you by
ONEMOREGeneration.org

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Macca's shrugs off straw request

Kelley Tantau and Ruby Nyika · 13:04, Aug 05 2018



KELLY HODEL/STUFF

Three Hamilton Girls' High students – from left, Chelsea West, Haydee Anson and Abbey Huriwai – are on a mission to stop McDonald's dishing out straws with every drink.



McDonald's New Zealand moves to reduce plastic straw use

Tuesday, 16 October 2018, 9:15 am

Press Release: **McDonald's**

A screenshot of the McDonald's Scale for Good website. The header features the McDonald's logo and navigation links: ABOUT, SCALE FOR GOOD, INVESTORS, FRANCHISING, NEWSROOM, and Q SEARCH. The main content area has a background image of a McDonald's cup and straw. The text reads: 'Using our Scale for Good' in large white letters, followed by 'We believe that delicious food can also be sustainable – for our customers, producers and the environment. As one of the world's leading restaurant brands, we're using our Scale for Good to make this vision a reality.' At the bottom, there is a URL: <https://corporate.mcdonalds.com/corpmcd/scale-for-good/using-our-scale-for-good.html>.

A graphic with a background image of a child holding a recycling symbol. The text reads: 'Thinking circular with more sustainable Packaging and Recycling' in large white letters. Below this, it says: 'Manufacturing and transporting packaging for over 37,000 restaurants in more than 100 countries requires significant natural resources, including water, trees and fossil fuels. How can we work to ensure the impact on the planet is as small as possible?'



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Social Impact



Straws are out,
lids are in:
Starbucks
announces
environmental
milestone



Say hello to the
lid that will
replace a billion
straws a year

Concerned about the environment, partners
and customers called for straws to be phased
out



<https://stories.starbucks.com/stories/social-impact/>

McDonald's paper straws cannot be recycled

BBC



5 August 2019



NEWS



<https://www.bbc.com/news/business-49234054>



<https://www.oneinfive.scot/disabled-people-untite-against-starbucks-plastic-straw-ban/>

Employees



Photo by [Fox](#) from [Pexels](#)

Employees

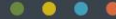
86%
AGREE  13 points

"It is important for me to work for a company that is socially and environmentally responsible"

**BETTER
FUTURES**



Celebrating a decade of tracking New Zealanders' attitudes & behaviours around sustainability



© COLMAR BRUNTON BETTER FUTURES REPORT 2019 EDITION

Swipe Right for CSR

64%

won't work for a company that
doesn't have strong CSR
commitments (vs. 51% U.S. average)

76%

consider a company's CSR
commitments when deciding
where to work (vs. 58% U.S. average)

75%

would choose to work for a
responsible company, even for
less money (vs. 55% U.S. average)



EMPLOYEE ENGAGEMENT... *The Millennial Way*

Whatever their jobs may be, Millennials want to make a difference at work. Companies that harness employee engagement will be rewarded with a more loyal, fulfilled and inspired Millennial staff.

CONE
COMMUNICATIONS

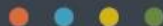
<https://www.conecomm.com/research-blog/2016-millennial-employee-engagement-study#download-the-research>



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Businesses are better at articulating their stories around sustainability to **employees** than consumers



There is a noticeable shift in those who feel their employer cares more about their impact on society than simply financial targets

65%



agree their employer actively supports society

67%



agree their employer has values they believe in

66%



agree they would recommend their workplace to others

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Sustainability

Report
2019

A STAR ALLIANCE MEMBER 

Sustainability

Supercharging New Zealand's success - socially,
environmentally and economically.

**Engaging
Air New
Zealanders**

**Tackling climate
change & carbon**

**Supporting
New Zealand
through
sustainable
tourism**

**Working with
our suppliers**

**Reducing
waste & plastic**

Engaging Air New Zealanders

Embracing diversity

Gender balance

Developing Māori and Pasifika leaders

Building a strong learning culture

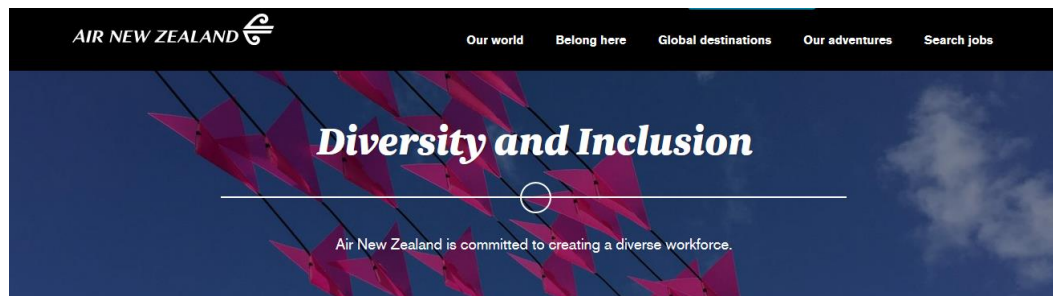
Protecting our people's wellbeing

Community engagement

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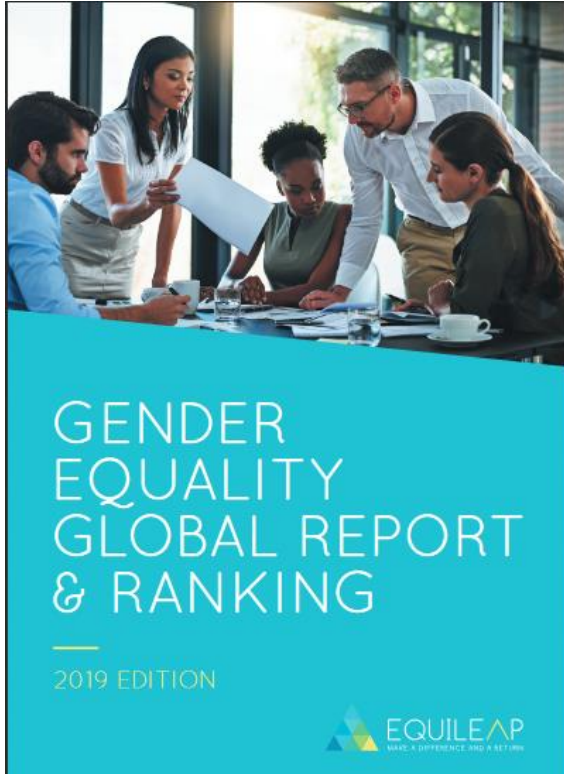
Air New Zealanders

We're committed to providing a safe workplace, ensuring diversity in leadership, being a talent incubator for the wider economy and fostering a culture that delivers a highly engaged workforce.



<https://careers.airnewzealand.co.nz/belong-here/diversity/>





Air New Zealand

Only company with no pay gap from the board to the workforce

<https://equileap.org/2019-global-report/>

TABLE 1 / RANKING OF THE TOP 100 COMPANIES FOR GENDER EQUALITY GLOBALLY

RANK	COMPANY	COUNTRY	SECTOR	SCORE	2018/2019 SCORE
1	Diageo	UK	Consumer, Non-cyclical	74%	↗
2	Mirvac	Australia	Financial	74%	↗
3	Bank of America	USA	Financial	74%	↗
4	L'Oréal	France	Consumer, Non-cyclical	73%	↗
5	Telstra	Australia	Communications	73%	↗
6	Stockland	Australia	Financial	71%	↗
7	Air New Zealand	New Zealand	Consumer, Cyclical	69%	↗
73	Contact Energy	New Zealand	Utilities	58%	↗
78	Z Energy	New Zealand	Energy	58%	—
82	Fonterra	New Zealand	Consumer, Non-cyclical	58%	↗

Investors



Investors

What is responsible investment?

Responsible investment is an approach to managing assets that sees investors include environmental, social and governance (ESG) factors in their decisions about what to invest in and the role they play as owners and creditors.

Examples of ESG issues



ENVIRONMENTAL

- climate change
- resource depletion
- waste
- pollution
- deforestation



SOCIAL

- human rights
- modern slavery
- child labour
- working conditions
- employee relations



GOVERNANCE

- bribery and corruption
- executive pay
- board diversity and structure
- political lobbying and donations
- tax strategy

<https://www.unpri.org/pri/an-introduction-to-responsible-investment/what-is-responsible-investment>

Investing in our Future.



**Creating Better
KiwiSaver Funds**

- 97% of investors would actively look to change their KiwiSaver provider to a more sustainable one if the financial return was the same. Almost two thirds would do this even if the financial risk was higher.
- A large majority would avoid investing in 'sin' industries:
 - >90% would avoid investing in labour exploitation, tobacco and arms
 - >80% would avoid investing in gambling, pornography and fossil fuels
- 90% of respondents want to be actively investing in companies with a strong sustainability commitment, such as:
 - Renewables and clean technology
 - Sustainable transportation options (such as biofuels)
 - Recycling and resource recovery.

<https://sustainable.org.nz/sustainable-investment-2/>



Responsible
Investment
Association
Australasia

Responsible Investment Benchmark Report 2019 New Zealand



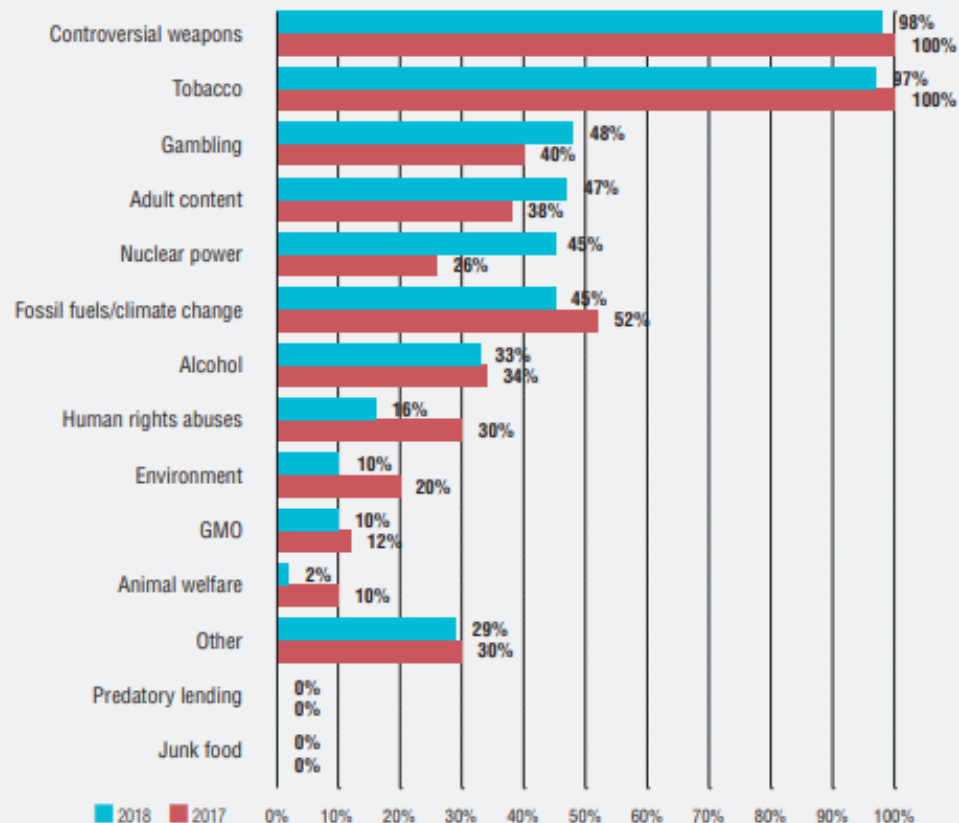
SUPPORTING ORGANISATIONS



RESEARCH PARTNER

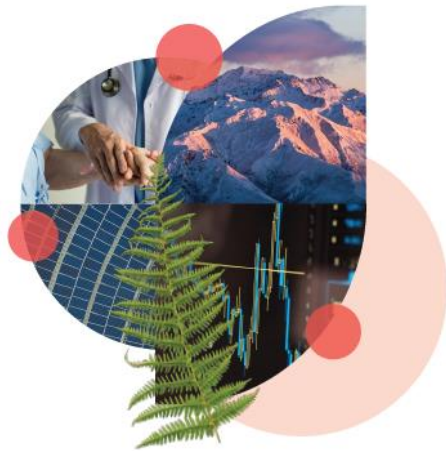


FIGURE 13: Frequency of issues being screened



<https://home.kpmg/nz/en/home/insights/2018/08/responsible-investment-benchmark-report-2018.html>

**CAPITAL THINKING.
GLOBALLY MINDED.**
MAI I TE IHO KI TE PAE



SUPPORTING ORGANISATIONS



RESEARCH PARTNER



Key findings

- Responsible investment grows to NZ\$188 billion in 2018, a threefold increase over five years
- NZ leads other major markets with highest level of take-up of responsible investment
- Focus is shifting to finding positive investment opportunities in addition to screening out harmful sectors

<https://home.kpmg/nz/en/home/insights/2018/08/responsible-investment-benchmark-report-2018.html>

Government



Photo by [Leroy de Thierry](#) on [Unsplash](#)



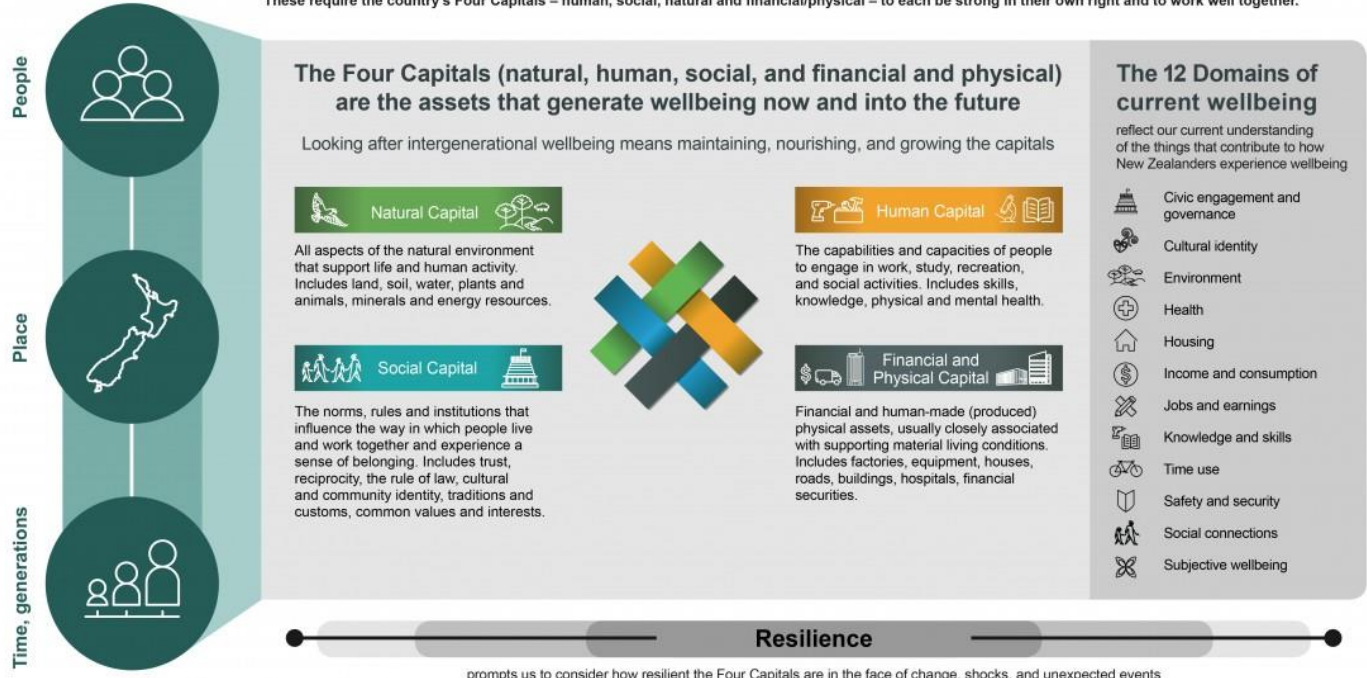
The Treasury's Living Standards Framework

To help us achieve our vision of working towards higher living standards for New Zealanders, we developed the Living Standards Framework. Our Living Standards Framework provides us with a shared understanding of what helps achieve higher living standards to support intergenerational wellbeing.

Distribution

Our work is focussed on promoting higher living standards and greater intergenerational wellbeing for New Zealanders.

These require the country's Four Capitals – human, social, natural and financial/physical – to each be strong in their own right and to work well together.



<https://treasury.govt.nz/information-and-services/nz-economy/living-standards/our-living-standards-framework>

THE WELLBEING BUDGET

30 May 2019

PRIORITIES FOR THE WELLBEING BUDGET



TAKING MENTAL
HEALTH SERIOUSLY

30



IMPROVING CHILD
WELLBEING

42



SUPPORTING MĀORI AND
PASIFIKA ASPIRATIONS

60



BUILDING A
PRODUCTIVE NATION

74



TRANSFORMING
THE ECONOMY

84



INVESTING IN
NEW ZEALAND

98

Consumers

Ethical and sustainable practices

Investors

Impact delivered alongside
financial returns

Employees

Alignment with personal values

Government

Contribution to wellbeing of NZers

Businesses

CSR

Corporate Social Responsibility (CSR)

Who Cares?

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The Sustainable Development Goals



SDGs being
addressed

Most
challenging to
address