Conversations with the Experts

Next Generation Corporate Citizenship

Bradley K. Googins

Bio: Bradley Googins Ph.D is the Executive Director of the Boston College Center for Corporate Citizenship and a professor in the Department of Organizational Studies at Boston College's Wallace E. Carroll School of Management. The Center is a leading voice in corporate citizenship, through its research, executive education, and national and international convenings. It maintains an active partnership with over 300 businesses who are members of the Center.

In 1990 Dr. Googins founded the Center for Work & Family at Boston University, now located at Boston College. He has authored dozen of books, monographs, and articles on corporate issues, including *The Journey Towards Corporate Citizenship in the United States*, and *Strategic Responses: Corporate Involvement in Family and Community Issues*. Dr Googins has also served as principle investigator for many research grants on corporate citizenship, including "The Role of Corporations in Community and Economic Development" (Ford Foundation), and "The State of Corporate Citizenship: A Global Survey" (Hitachi Foundation). He conducts executive briefings and speaks widely on corporate community involvement and corporate citizenship.

An Interview with Bradley K. Googins
By Judi Casey and Karen Corday

Casey: How do you define corporate citizenship?

Googins: Defining corporate citizenship is one of the challenges for those of us working in this field; there is no accepted definition. We even use different names: sustainability, corporate social responsibility, corporate responsibility. This used to bother me, but I decided not to try to create one name for us all to use. It boils down to answering the question "what is the role of business in society?" Two years ago, Dow Chemical defined it as the ability "to meet and exceed the expectations of our stakeholders." That's what changed in the field; business is no longer just about the bottom line and the investor is no longer the sole stakeholder; there are multiple stakeholders that need to be satisfied in order for a business to be successful. The principles of corporate citizenship concentrate on how to incorporate that line of thinking into a business. There's lots of evidence now that a business's reputation or brand can be impacted by citizenship issues; social issues themselves are reinvented by corporate citizenship.

We've concentrated our efforts on the stages of corporate citizenship; we originally got the idea from Ellen Galinsky's stages of work-life. We spent about two years developing the stages of corporate citizenship, and it's probably the most helpful thing we've ever done. When I go to companies, I see that everyone is operating on their own in a vacuum; there is no road map for this kind of work. It really helps people to see the steps or stages and see how they are doing; we outline the stages in some detail. Over the past year, we've also developed the CCMF—the corporate citizenship management framework. There are sixty-five items on the assessment tool that allow companies to see what needs to be managed and to gauge their own progress.

Casey: Is it usually just one person or a very small department driving citizenship in an organization?

Googins: It depends on the workplace. General Electric has two people working on this issue for their thirty companies! Wal-Mart has been the biggest game changer in this sustainability movement; they see the power

that they have in terms of influencing communities, but then they have their labor practices, which are not very good. Companies can't pick and choose which parts of corporate citizenship they're going to employ; they need to all be working together. You can't do a great job at your corporate headquarters and have your global operations causing pollution or exploiting workers. It's not about perfection, but it's about having a way to continuously improve. This has given rise to social and environmental reports, now pretty commonplace and similar to the financial reports that have been in place forever.

Globally, there are lots of very interesting developments in the area of corporate citizenship, but it's very fragmented. I look at China, and there's a whole system that begins and ends with the government, while the United States has a very entrepreneurial society; you couldn't get two more different approaches! However, they are both dealing with these issues. Most of Europe has a much more regulatory environment, while Brazil is trying to focus on getting businesses involved in helping reduce the country's inequalities. The Center has a network of institutions that meet twice a year, and we're starting to put together some common research projects. It's amazing to see that everyone's learning but everyone's isolated; this networking really helps. There's a different generation coming into the workplace, and they are expert social networkers; these issues are made for social networking.

Casey: What is your perspective on the link between corporate citizenship and work-family issues?

Googins: I think work-family is the missing ingredient for corporate responsibility, which by tradition and history is a very externally focused process. If you go into a company and ask employees about corporate citizenship, most employees might have a vague understanding of what it is and how their company participates, but they don't understand why it's strategically important and they don't understand how they can add value to the program. There's a huge opportunity there in terms of what's now called "employee engagement." This is not just about volunteering with co-workers once a year. SHRM is investigating the linkage and disconnect between corporate citizenship and work-life. People are looking at work-life, diversity, and workforce readiness as corporate citizenship issues, despite the fact that they are usually run by human resources, and employee engagement is on the cutting edge of corporate responsibility. Unfortunately, there are not yet any good models and no one has articulated the importance of the connection, but that's a great opportunity for us! We could change the core conception of corporate citizenship by incorporating the employee engagement piece. There's a lot of relatively good data on the payoff for engaged employees in terms of commitment, loyalty, and feeling proud of their workplace and how that translates into productivity. Nevertheless, there's still a lot of segmentation, for now.

Casey: If corporate citizenship were to embrace this notion of employee engagement, would the practitioners look to HR for guidance, or would they drive the bus?

Googins: It's a good question. I recently attended an EAP roundtable, and Paul Heck from DuPont reported that all of their HR has been outsourced, including EAP. That's happening a lot; many companies have outsourced payroll for years, but now the entire HR department is being outsourced. HR is trying to figure out their strategic place. I'm hearing a lot about the "war for talent"—fifteen or twenty years ago I first heard that that would be the evolution of work-family, and then it disappeared; now it's coming back. I think a lot of workplaces understand that part of the strategy of the war for talent is employee engagement and corporate citizenship.

Casey: Do you anticipate that corporate citizenship will focus more on work-life as employee engagement continues to evolve?

Googins: The heart of corporate citizenship is the values of the company. Ultimately, you could look at something such as diversity and ask "Is this an HR issue? A work-life issue? Or is it about who we are as a company—we know that having a diverse workforce is good for our business." In my experience, HR can devolve into compliance or a narrower view; corporate citizenship pushes a wider view of the company as a whole and encourages companies to define themselves and consider how they are viewed by the public. I think there will be a lot more integration, but I'm not sure how it will work. I think in the past, the war for talent was about what kind of benefits a workplace provided to its employees. Now it's about what kind of a place is this company and do employees want to be a part of it.

Casey: What drives citizenship in an organization? How can citizenship be connected to the organization's business strategy?

Googins: We know, without a doubt, that leadership matters. One approach used by marketing groups is looking at corporate citizenship from a branding perspective—how can we improve our brand identity and value if citizenship is an important issue? The CCMF framework says that many people understand the

traditional work of corporate citizenship within the community, but they don't get the processes within the company as well as the company's products and services. Integration and alignment become critical factors as well. How can companies use their assets to unleash innovation in society? The "win-win" concept that benefits the company as well as the world at large is becoming very important.

Casey: What about small businesses? Is this strictly a Fortune 1000 phenomenon?

Googins: Here in the United States, our theory has been that if we can get the Fortune 1000 companies on board, everyone else will follow. I think a lot of the innovation is actually happening in smaller businesses, but we don't know a lot about their activities.

Casey: What additional research is needed to move forward?

Googins: We need to continue our research that examines how companies of all sizes are strengthening their commitment to citizenship. We'll do this by making an investment in our Stages of Corporate Citizenship framework. A majority of companies today are what we would call a Stage 2 company – on a scale of 1 to 5. As we continue this research we'll explore the characteristics of companies that are more advanced—with an emphasis on the steps they took to make this happen. We will also work on developing methods companies can replicate to move their own citizenship agenda ahead. In time, the Center will be able to document in great detail how companies are turning their commitment to corporate citizenship into a competitive advantage.

Casey: What would you recommend to workplace practitioners who want to effect change in their organizations?

Googins: People from many different departments are involved in corporate citizenship; there are community relations people, people who work on philanthropy or volunteering, people in sustainability, just as a few examples. We just instituted a survey about ownership to about 350 companies asking how they communicated, how they were staffed, and so on. That will be interesting when the results come back. Corporate citizenship positions traditionally grow out of community relations positions, but I have received a few calls recently from people who are looking to create positions specifically focused on corporate citizenship, and they are hiring from outside of the company rather than recruiting someone from within the company in a similar position. Business schools suddenly want to require courses in corporate citizenship, but who is going to teach them? It's a subject that is usually learned on the job. Practitioners are looking for skills and competencies, but mostly they are looking for networking, which is absolutely important.

Casey: What is the role of policy makers?

Googins: At this point, policy makers are completely out of the picture; there is no government presence at all. This simply highlights the separation of government and business in the United States. Corporate citizenship is just starting to bump up against public policy; it's suddenly dawning on businesses that they might want to engage in public policy dialogue. Businesses won't solve policy issues, but they can play a huge role in them. Unfortunately, at this point they don't know what that role should be. They are either seen as bullies who are going to come in and tell policymakers what to do, or they just aren't comfortable working in the policy environment. Another problem is that the average tenure of a CEO has shrunk to four years. Not too long ago, the average was twenty years! Fundamentally, business is about making short-term changes, but social and environmental issues take long-term planning. How do you reconcile the short-term model with long-term plans? It doesn't quite fit.

Casey: Anything else?

Googins: Corporate citizen not only opens up plenty of research opportunities, but from almost any angle, it is redefining business practices. This opens up lots of collaborative opportunities for research and public policy. I also see a lot of foundations getting involved. Traditionally, foundations would have nothing to do the private sector, but they are starting to see the possibilities for corporate roles in social issues. Foundations are starting to fund corporate innovation in products and services. Examples of this include funding investment experts to create alternative lending options such as micro-lending for lower-income populations or finding technology solutions such as voice recognition for the visually impaired. A researcher from Tufts University, Jerry Sternin, recently received a multi-million dollar grant from the Rockefeller Foundation to study positive deviance. This is a very powerful intervention concept. From the web site:

"Positive deviance (PD) is a development approach that is based on the premise that solutions to community problems already exist within the community. The positive deviance approach thus differs from traditional "needs based" or problem-solving approaches in that it does not focus primarily on identification of needs and the external inputs necessary to meet those needs or solve problems. Instead it seeks to identify and optimize existing resources and solutions within the community to solve community problems."

We're working with him on using the concept within workplaces to solve corporate citizenship dilemmas.

For more information: http://www.bcccc.net/beyondgoodcompany

Stages of Corporate Citizenship

BOSTON COLLEGE
CARROLL SCHOOL OF MANAGEMENT
Center for Corporate Citizenship

	Stage 1 Compliant	Stage 2 Engaged	Stage 3 Innovative	Stage 4 Integrated	Stage 5 Transforming
Citizenship Concept	Jobs, Profits & Taxes	Philanthropy, Environmental Protection	Responsive to Stakehohlders	Sustainabilty or Triple Bottomline	Change the Game
Strategic Intent	Legal Compliance	Reputation	Business Case	Value Proposition	Market Creation or Social Change
Leadership	Lip Service, Out of Touch	Supporter, In the Loop	Steward, On Top of It	Champion, In front of it	Visionary, Head of the Pack
Structure	Marginal: Staff Driven	Functional Ownership	Cross-functional	Organizational Alignment	Mainstream: Business Driven
Issues Management	Defensive	Reactive, Policies	Responsive Programs	Pro-active Systems	Defining
Stakeholder Relationships	Unilateral	Interactive	Mutual Influence	Partnership	Multi-organization Alliances
Transparency	Flank Protection	Public Relations	Public Reporting	Assurance	Full Exposure

Source: Googins, B.K., Mirvis, P.H., & Rochlin, S.A. (2008). *Beyond good company: Next generation corporate citizenship.* New York: Palgrave Macmillan.

Additional Resources Related to Corporate Citizenship

Corporate Register: "The world's largest online directory of company issued CSR, Sustainability, and Environment reports from around the world."

- http://www.corporateregister.com

Corporate Responsibility Newswire: "CSRwire is the first stop for corporate social responsibility news and information. All News Alert subscribers receive a reconciliation of each week's CSR news, reports, events and features. Additionally, Custom News Alerts provide immediate or daily notification of new content and can be filtered by company and/or news category."

- http://www.csrwire.com

GOOD Magazine: "GOOD is the integrated media platform for people who want to live well and do good. We are a company and community for the people, businesses, and NGOs moving the world forward. GOOD's mission is to provide content, experiences, and utilities to serve this community."

- http://www.goodinc.com

World Business Council for Sustainable Development: "The WBCSD seeks to illustrate how companies work independently, or with different stakeholders, to integrate the challenge of sustainable development into their business activities."

- http://www.wbcsd.org/templates/TemplateWBCSD5/layout.asp?type=p&MenuId=ODY&doOpen=1&ClickMenu=RightMenu