

BledCom

A World in Crisis: **The Role of** Public Relations

25th International
Public Relations Symposium
BLEDCOM 2018 | July 5 - 7, 2018

Developing Participatory CSR in a Time of Distrust: Authenticity, Organizational Listening, and Dialogue

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In 2018

- A world of distrust: 20 out of the 28 countries in the Edelman Trust Barometer 2018 study are now distrust societies



2018
General Population



Role of Business

The 2018 World Economic Forum

- Business should focus more on social responsibility and sustainability that embraces stakeholder values and social values (Kaeser, 2018).



Kent & Taylor (2016)

- CSR is a powerful and ethical corporate practices.

Positive CSR Effects

- Purchase, consumer loyalty, recovering from a crisis, etc (Du, Bhattacharya, & Sen, 2007; Maignan & Ferrell , 2004; Stanaland, Lwin, & Murphy, 2011).

CSR Skepticism

- CSR skepticism: “Publics’ inclination to question, disbelieve, and distrust toward an organization’s CSR motives, management and business, CSR outcomes, and the claims of socially responsible positions and actions” (Rim & Kim, 2016, p. 250).
- Research including CSR skepticism: advertising effects (Yang & Hsu, 2017), socially stigmatized industries (Austin & Gaither, 2017), public evaluation on CSR (Rim & Kim, 2016), marketing (Gaski & Etzel, 1986), etc.
- Effects of CSR skepticism: negatively related to purchase intention, words of mouth, retailer equity, and negative response to corporate CSR messages (Becker-Olsen et al., 2006; Connors, et al., 2017; Rim & Kim, 2016).

Responding to CSR Skepticism

- Porter & Kramer (2006; 2010): Creating Shared Value (CSV)
 - Creating shared value (CSV): a kind of strategic CSR
 - “... to deliver measurable value in a way that generates profit” (Klein, 2013).

Our Research on CSV

- Findings:
 - CSV was preferred over intrinsic CSR across nations
 - CSV (strategic CSR) and skepticism: outcomes are more important than motives
- But, something is missing... What are **the ethical principles** guiding corporations' CSV/CSR practices?

Authentic CSR as a Participative Process



CSR as a Process

- Maclagan (1999):
 - Taking **the Kantian principle of respect for persons**: This process should involve people: Values, motives, and choices of the people involved
 - **Employee participation**: Employees, instead of only senior management, can have something to offer in CSR policy formulation
 - Bhattacharya, Sen, and Korschun (2007) argued that CSR programs are most effective when employees are the “actual enactors” while the company is the “enabler” (p. 23). They should also be part of the decision makers.
 - Employee CSR participation can make CSR a part of the organization’s actions deriving from its culture or values and not an outcome of external pressure (Maclagan, 1999; Chen & Hung-Baesecke, 2014) → **Authenticity**

The Dialogic Approach

- Kent and Taylor (2002): the features of mutuality, propinquity, empathy, risk, and commitment
- Kersten (2000): Dialogue requires **a critical and reflective understanding** of one's own world, an empathic grasping of the world of other participants, and the shared building of a joint world.

Organizational Listening

- MacNamara (2017): important concepts like dialogue, engagement, and relationships have ignored listening.
 - Organizations spend most of the time speaking, instead of listening
- Public relations:
 - Gregory (2015) advocated organizations to develop “a culture of listening and engagement” to one of the important roles for public relations.
 - Bowen (2018): Listening helps maintaining **dignity and showing respect to other**. “Genuine listening is morally required.”

Organizational Listening

- In the commercial sector, there are indications that improved organizational listening can lead to improved employee morale, loyalty, retention and productivity; increased customer retention; reduced criticism and crises; and improved reputation.

Dialogue and Listening

- Listening: an integral part of two-way symmetrical dialogue (Burnside-Lawry, 2010)
- Dialogue, negotiation, listening and understanding are required by corporate communicators advocating a relationship approach to public relations (Botan, 1997; Bruning et al, 2004; Grunig, 2001; Kent & Taylor, 2002; Ledingham, 2003).
- Halah (2001): Dialogue as a process that leads to mutual understanding and positive behaviors by engaging in active listening with empathy, identifying hidden assumptions, and exploring common interests.

Are we really doing this? *How?*

- **Culture-centered approach** (Dutta, 2011; 2015): the interactions among structure, culture and agency in the co-creation of transformative practices for challenging marginalizing communication practices
- Exploring the ways in which communication structures, practices, and messages participate in the marginalization of certain sectors of the population, and draw attention to the processes through which these silencing structures are resisted by those that are typically disenfranchised.

From the Culture-Centered Approach

- Listening turns the critical lens on the taken-for-granted principles of communication in the mainstream development.
 - To unfold the value from the publics and underprivileged perspective
- A dialogue can be genuinely open only under one condition: no party puts itself in a position where it can unilaterally decide the outcome of the conversation (Dutta, 2015).
 - A mutually constitutive process

To Conclude

- To further enhance the effectiveness of CSR and CSV → Establish **the ethical and moral foundation** of CSR
- For developing authentic CSR initiatives, when engaging in dialogues with publics, organizations should:
 - **Partner with employees** in formulating CSR policy and initiatives
 - **Acknowledge the risk** of not being accepted by publics in the corporate values;
 - **Be committed to explore the best possible approach** with publics **by listening** to their views and expressing empathy on publics' viewpoints
 - **Co-create values** acceptable and appreciated by both sides