Different Perceptions of Corporate Ciitizenship in a company in the Brazilian power sector

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Academic Work

Agenda

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Introduction

- Even though there have been indications of the business community concern with society since the 20s, the expansion of concepts occurs in the 1960s, for example with the advancement of Corporate Social Responsibility (CSR), which had its model expanded in the 1990s with the stakeholders' theory, business ethics theory and corporate citizenship (CARROLL, 1999).

- Corporate citizenship gained space, since it presupposes that a citizen organization is responsible regarding its finances, laws and recommendations, ethics and society (MAIGNAN et. al., 2000).

- Mirvis & Googins (2006) add to this concept by suggesting that it is not stagnant in a company, but goes through stages according to the organization's understanding and practices.

Introduction: Stages of Corporate Citizenship

DIMENSIONS		Citizenship Concept	Strategic Intent	Leadership	Structure	Issues Management	Stakeholder Relationships	Transparency
Stage 1	Elementary	Jobs, Profits & Taxes	Legal Compliance	Lip Service; Out of Touch	Marginal: Staff Driven	Defensive	Unilateral	Flank Protection
Stage 2	Engaged	Philanthropy, Environmental Protection	License to Operate	Supporter; In the Loop	Functional Ownership	Reactive, Policies	Interactive	Public Relations
Stage 3	Innovative	Stakeholder Management	Business Case	Steward; On Top of It	Cross-Functional Coordination	Responsive	Mutual Influence	Public Reporting
Stage 4	Integrated	Sustainability or Triple Bottom Line	Value Proposition	Champion; In Front of It	Organizational Alignment	Pro-Active, Systems	Partnership Alliance	Assurance
Stage 5	Transforming	Change the Game	Market Creation or Social Change	Visionary; Ahead of the Pack	Mainstream: Business Driven	Defining	Multi-Organization	Full Disclosure

Source: Adapted from Mirvis & Googins (2006).

- To help companies, the SDG Compass was released. The guide consists of five steps, ranging from Understanding the SDGs, Defining Priority, Setting Goals, passing through Integrating, until arriving at Reporting and Communicating. In this study, the emphasis is given to the Integrating step, since this stage is crucial for understanding how sustainability is anchored to organizational practices. For this, the SDG Compass advises to assess the employees' shared understanding (UNGC, GRI, WBCSD, 2015).

- Since the guide does not stablishes a specific methodology for this analysis, will be usedthe tool proposed by Mirvis & Groogins (2006). With this evaluation, it is possible not only to understand how sustainability has been worked on inside the organization, but also which aspects demand improvements (LAURIANO et. al., 2014; EVANS; DAVIS, 2014).

- For this end, internal marketing strategies can be used, once they contribute to the understanding of employees on the subject, besides integrating all the areas and actions for achieving the stablished goals (HENANDEZ; GRAYSON, 2012).

Method

- A survey was conducted and made available through an online survey app to all the company's employees, with the support of the company's Sustainability top management.

- The sample surveyed comprised 131 employees from different organizational areas and levels, with aims to encompass the perception of the company's whole hierarchy. Data was collected from October to December 2016.

- For elaborating the questionnaire, it was used the studies of Mirvis & Googins (2006) and UNGC, GRI, WBCSD (2015), maintaining the original scales of 5 stages.

Results: Cluster 1

Dimension	Prevailing Stage	Percentage
Corporate Citizenship Concept	2 – **Engaged**: Functional focus, Philanthropy, Relationship with the community, Environmental protection.	53.6
Strategic Intent	2 – **Engaged**: preserve reputation and license to operate.	55.4
Leadership	2 – **Engaged**: supporters, the leaders are inside of it, but do not manage it.	58.9
Structure	2 – **Engaged**: Functional, there are units related to specific responsibilities of corporate citizenship, but the activity is still compartmentalized).	78.6
Issues Management	3 – **Innovative**: Responsive, policies and programs have been implemented on key issues relevant to the company.	63.4
Stakeholder Relationships	2 – **Engaged**: Interactive, in general, there is a two-way communication with stakeholders.	57.1
Accountability	4 – **Integrated**: systematic, in many business functions.	58.9
Transparency	2 – **Engaged**: public relations, disclosure, emphasizing good news.	50.0

Results: Cluster 2

Dimension	Prevailing Stage	Percentage
Corporate Citizenship Concept	4 – **Integrated**: triple bottom line, with equal importance attributed to economic, social and environmental factors.	50.7
Strategic Intent	5 – **Transforming**: corporate citizenship is part of the business model – focus on market creation opportunities.	49.3
Leadership	3 – **Innovative**: stewards, leaders at the top of the company.	49.3
Structure	5 – **Transforming**: integrated, corporate citizenship is driven by business, activities are transversal and owned by business functions and units.	41.3
Issues Management	4 – **Integrated**: Responsible, there are programs together with plans, objectives and performance measures relating to issues management.	46.7
Stakeholder Relationships	5 – **Transforming**: partnership, working together with stakeholders on important issues, to learn with them as an equal partner.	53.3
Accountability	5 – **Transforming**: that is critical to how the business is managed.	56.6
Transparency	4 – **Integrated**: there is full disclosure of goals and results.	50.0

Conclusions

- Sustainability strategies percepetion:
  - Initial stages
  - Advanced stages

- For 78% of Cluster 1 respondents, sustainability is still restricted to specific functional areas.

- For 56.6% of Cluster 2 respondents, Accounting was most advanced -> reporting pressures.

Conclusions

- Recommendations:
  - Strength Internal Marketing Strategies
  - Engaje Stakeholders within the Company' Strategy
  - Reinforce the Role of each Organizational Area

- Contributions
  - Practice: employees engagement
  - Theory: employees perspective and the context