

Six Organizational Models for Integrating Brand with CSR

Carol Holding, President, Holding Associates/Brand Strategies
Lucille Pilling, Director of Health Initiatives, Corporate Council on Africa

Today, corporations know that corporate social responsibility (CSR) is inextricably linked to their reputations and brand identities. Integrating CSR and brand efforts without a roadmap, however, can be daunting. To address this need, the authors conducted in-depth semi-structured interviews with key managers in brand and CSR departments in the five industries — financial services, pharmaceuticals, extraction, consumer products and technology — identified by McKinsey as being more prominently engaged in CSR activities. From our analysis, we identified six organizational models for integrating brand and CSR, which fall into two categories, Non-adaptable Models and Adaptable Models. This summary will focus on the second category and replicable examples that brand/CSR integrator can apply to their own situation,

Three Non-adaptable Models

Model #1: Mission-Driven

This model is the purest example of Brand/CSR integration and occurs almost exclusively in companies that were founded with social responsibility as a core value. In fact, these companies are so aligned with CSR in both brand and operations as to warrant the label “social enterprises.” Even in this social enterprise environment, however, brand and CSR must be formally linked for reporting and other purposes. For example, Green Mountain Coffee Roasters hired its first CSR officer was hired in 2000, nearly 20 years after the company was founded and its first CSR report was published in 2005.

Model #2: Product-Driven Consumer Companies

These are companies whose brand/CSR integration efforts are traditionally grounded in their product brands. PepsiCo is an example of a company whose CSR/brand integration is product-focused, starting with its Quaker Oats division’s partnership with the World Heart Foundation. Despite corporate-level support and measurement, brand-CSR integration will always be centered on individual brands.

Model #3: Super-Regulated Industries

Companies in this category are often blocked from efforts to integrate brand and CSR because their products are so highly scrutinized by both regulators and the public. We spoke with several pharmaceutical companies, all of whom were cautious because their culture does not support brand/CSR integration.

Three Adaptable Models

Our next three models provide replicable roadmaps for integrating a company’s brand with its CSR efforts.

Model #4: Individual Champion

This model, exemplified by Symantec, the maker of Norton Anti-Virus software, is based on a single person who initiates and manages CSR in all its facets, including brand/CSR integration. Though the initial idea for a CSR program came from out of branding, the effort was actually launched in the External Affairs department. Cecily Joseph, Director of CSR, used the UN Global Compact as Symantec’s CSR framework, then added the Global Reporting Initiative (GRI). Once the structure was in place and the management involvement was established, the project took on a life of its own. One example Joseph cites is the “environmental stewardship council, which started with 10 or 15 people. By the end of the year we had 50 people. And this includes senior people, VPs — all volunteers.”

Model #5: Communications Team

In this model, CSR resides in the communications department and is used specifically as a brand-building tool. According to Steve Kess, VP Professional Relations at Henry Schein, the drug distribution company, CSR is managed by three departments, Corporate Communications, Community Relations, and Professional Relations, all of whom report to the EVP of Communications to insure that the branded CSR program “Henry Schein Cares” reaches both employees and Schein’s suppliers and worldwide operating companies.

Different models were found at larger companies – Adobe, the design software company, has a CSR department within marketing who works closely with the Brand Director — and smaller ones like Bankrate, the personal finance website, whose functionally organized marketing managers all participate in CSR projects.

Model #6: Organic Partnerships

This is the most mature brand/CSR integration model and is based on systematically interrelated parts rather than an existing structure.

At HSBC, CSR is a separate department but brand/CSR integration is applied throughout the company. For example, Nicole Rousseau, HSBC’ VP, Retail Marketing, coordinated the launch of HSBC’s first US environmental campaign “Commit to Change.”

Key to building the campaign was forming the employee launch team. “[We found people] who were really engaged and energized about the environment in every department,” Rousseau told us. Another initial task was identifying the sustainability projects that already existed in the US Bank. “Everyone learned in the process about what we had been doing for years.” Working closely with HSBC’s Sustainable Development Group in the UK and HSBC’s US CSR department, Rousseau’s team built a campaign that put CSR at the center of HSBC’s retail marketing efforts.

At Chevron, the oil giant, the CSR report is the responsibility of the Global Issues and Policy Group while the company’s new brand “Human Energy” reinforces CSR’s company-wide integration across all geographies.

At Cherokee, the private equity firm, Jonathan Philips, Senior Director of Marketing, describes brand/CSR integration as the center of the brand: “To this day, (we) do not have a corporate brochure, (we use) our Sustainability Report for both investors and recruiting employees.”

Conclusion

In identifying organizational prototypes on which managers can build brand/CSR integration, we found not only replicable organizational prototypes but also an evolutionary path:

- The Individual Champion is the model common to early stage brand/CSR integration efforts and the model of choice for high-tech companies and other flat, nimble organizations.
- Within 10 years of the start of the effort, three of the four companies we identified for the Individual Champion Model evolved into the Communications Team Model. We would argue that this is a natural and predictable evolution.
- The Organic Partnerships Model works well in the old-line companies we interviewed. Their age and industry maturity guarantee that some form of community involvement is well entrenched in the organization and culture, and the full integration of Brand and CSR evolves organically over time.