



# E-LEARNING

Level 3



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## WA2: Communication and Marketing

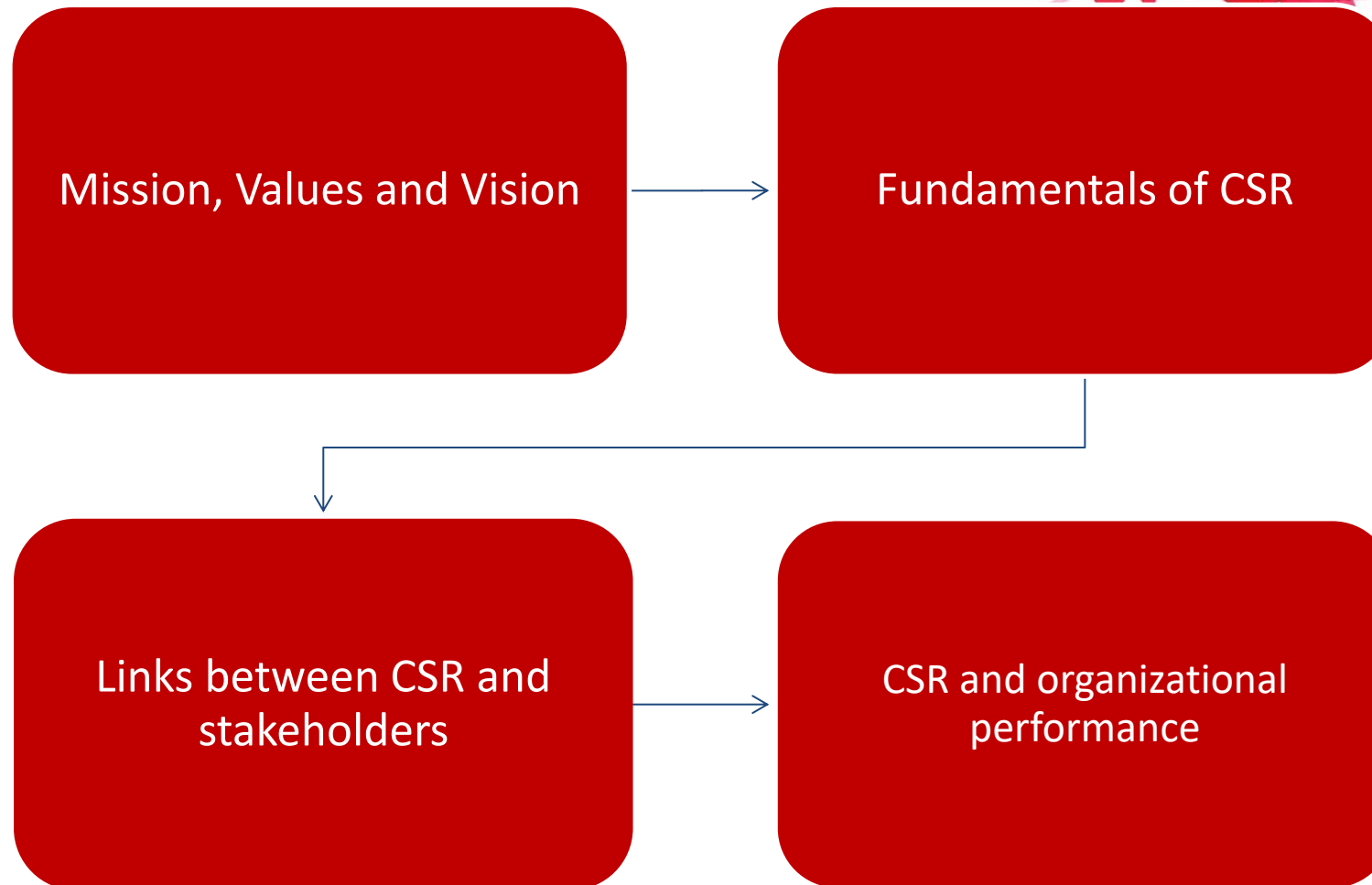
### 3.2 Code of conduct, CSR: Part B, The organization's missions, values and vision and Corporate Social Responsibility (CSR) activities

**LO3.4: Demonstrate the ability to promote and achieve the Mission and objectives of the organization, always reflecting the values of the organization.**

**LO3.5: Appreciate the importance of CSR and demonstrate the ability for implementation of organizational CSR activities.**




# Route Map





# Mission, Values and Vision



The mission, vision and values of a company or organization are concepts that describe the reason for the existence of the company or organization and the scope of activity.

The identification of the mission, vision and values statements is usually done during strategic planning.

# Vision

## **VISION:**

- The vision of a company should reflect the beliefs and the real desires of the operator and reflect the principles and values of the organization.
- A vision statement describes the organization as it would appear in a future successful state.



# Mission

## MISSION:

- The mission or purpose of the enterprise is an accurate description of what the company makes. Describes the activities of the enterprise in terms of products or services, markets and technology and it is the commitment of the entrepreneur on the general business goals.
- The mission statement supports the vision and serves to communicate purpose and direction to employees, customers, vendors and other stakeholders. The mission can change to reflect a company's (or department's) priorities and methods to accomplish its vision.

# Values

## VALUES:

- The values determine the path to be followed by the organization to achieve its mission and vision
- A values statement describes the organization beliefs and how it will behave. The values create a moral compass for the company and its employees.






# Mission, Values and Vision

- A vision statement should challenge and inspire employees. The mission statement supports the vision, and the values statement defines the deeply held beliefs and principles of the organizational culture.
- Developing a values-led organization can be a difficult and a slow process. Companies should be prepared to make a long-term commitment to the established company values.



# Mission, Values and Vision II

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- Employees owe to promote the mission and objectives, and reflect the values of the organization.
  - When employees believe in and communicate business values and commit themselves to the achievement of business mission and goals, this is transferred to everyone who interacts with the company via transactions and interaction and can build long term relations and loyal customers.



# Mission, Values and Vision III

- Vision and mission statements are related with firm performance, and this is correlated to whether vision and mission are adopted by employees and whether values are in accordance with their beliefs.

- **Management should:**

- Keep it always top of mind.
- Align employees to Vision, Mission and Values of the company.
- Keep employees engaged by sharing news about how the company is striving to reach the mission and vision and provide feedback on the results.

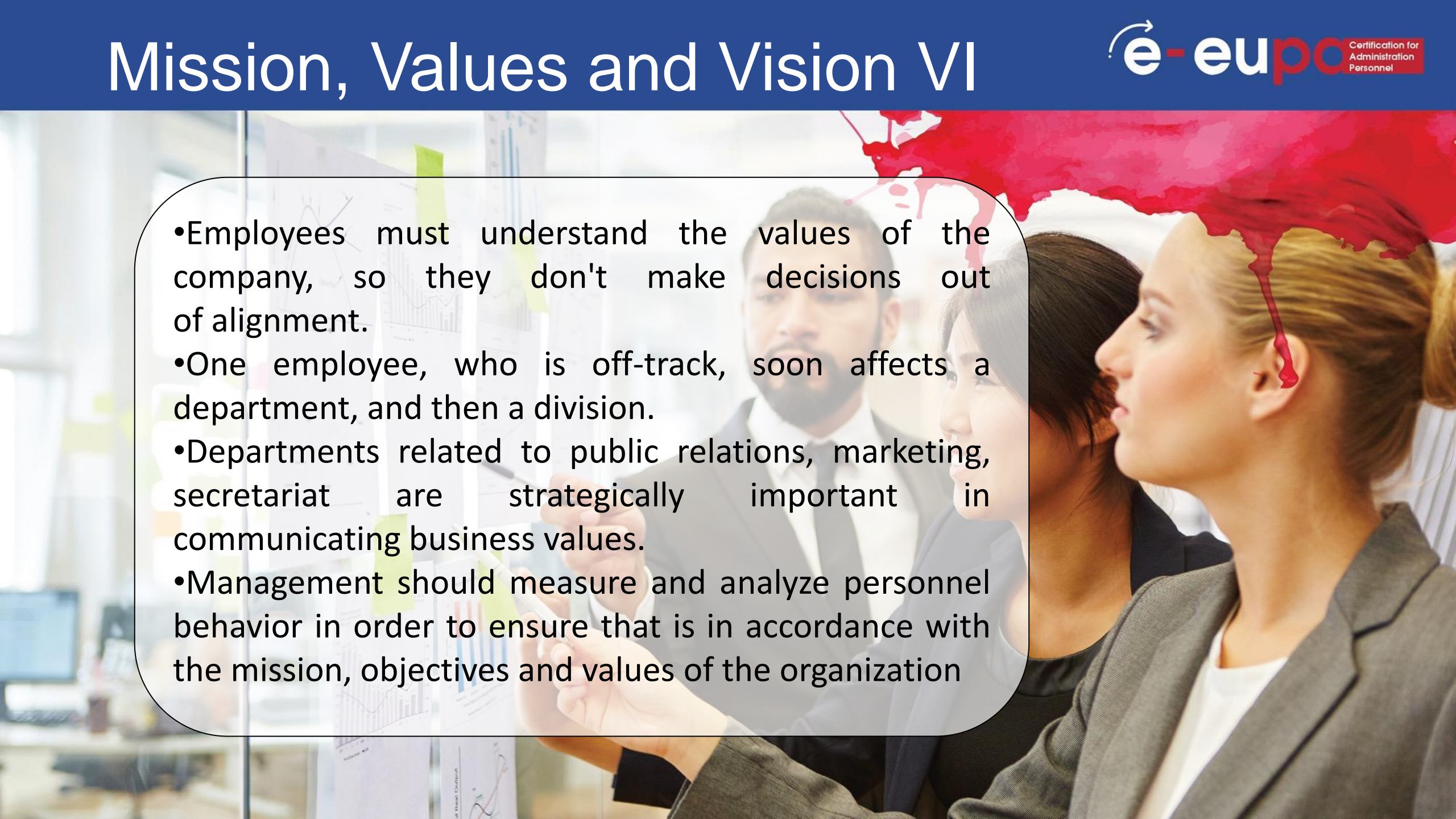


# Mission, Values and Vision V

- Branding refers to the way a customer understands the product or service provided
- Branding aims to establish a significant and differentiated presence in the market that attracts and retains loyal customers. The process involved in creating a unique name and image for a product in the consumers' mind.



# Mission, Values and Vision VI

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- A background image of a business meeting with three people (two women and one man) looking at documents. A large, stylized red brain graphic is overlaid on the right side of the image, with a red line extending from the ear of the woman in the foreground.
- Employees must understand the values of the company, so they don't make decisions out of alignment.
  - One employee, who is off-track, soon affects a department, and then a division.
  - Departments related to public relations, marketing, secretariat are strategically important in communicating business values.
  - Management should measure and analyze personnel behavior in order to ensure that is in accordance with the mission, objectives and values of the organization



# Mission, Values and Vision VII

- If the results are not as anticipated and business aims are not fulfilled, a restructuring in fundamental principles must be considered.
- The establishment of a new mission, vision, and values statement provides a new strategic roadmap.
- Ungroup these three principals and realize how each one can contribute to reaching a clear, measurable, acceptable result, for the management, the employees, the stakeholders and the society.



## Missions, Values and Vision

Strategies and goals change and flex with the market. May a company modify mission, vision, or values over time?





# Methodological Tool I



Strategic Planning: Vision,  
Mission, and Values

**e-EUPA\_LO\_3.4\_M\_001**

- **What is Corporate Social Responsibility?**  
-Why is it important today?



## Corporate social responsibility (CSR)

- Business Dictionary defines CSR as "A company's sense of responsibility towards the community and environment (both ecological and social) in which it operates. Companies express this citizenship through their waste and pollution reduction processes, by contributing educational and social programs and by earning adequate returns on the employed resources."
- A broader definition expands from a focus on stakeholders to include philanthropy and volunteering



# Fundamentals of CSR II

## Approaches

- Difference between the Canadian (Montreal school of CSR), the Continental European and the Anglo-Saxon approaches to CSR.
- For Chinese consumers, a socially responsible company makes safe, high-quality products, for Germans it provides secure employment, in South Africa it makes a positive contribution to social needs such as health care and education. And even within Europe the discussion about CSR is very heterogeneous.



# Fundamentals of CSR III

## Scope

Initially, CSR emphasized the official behavior of individual firms. Later, it expanded to include supplier behavior and the uses to which products were put and how they were disposed of after they lost value.

## Implementation

CSR may be based within the human resources, business development or public relations departments of an organization, or may be a separate unit reporting to the CEO or the board of directors.



# Applicability – types of CSR

## Environmental

- carbon footprint
- ways this can be reduced.
- ways that operations can be more sustainable

## Philanthropic

- Giving money to charities
- Founding charities/organizations
- Volunteering

## Ethical

- making sure that people in less developed countries are treated fairly
- making sure that all stakeholders receive fair treatment
  - Employees (internal)
  - customers,
  - shareholders
  - other stakeholders



## Environmental challenges of CSR

- Environmental Impact. To obey CSR in terms of environmental aspects, corporations can take the following steps:
  1. Measuring Environmental Impact.
  2. Environmental Management.

## The Win-Win of Environmental Responsibility

1. Several individual companies have found that improving environmental performance may also have beneficial effects on the company itself.
2. Creating less waste may lower the costs of operation.
3. A responsible public image may also attract more customers.

## Economic challenges of CSR

The economic aspects of CSR consist of understanding the economic impacts of the company's operations.

- Considering the direct and indirect economic impacts that the organization's operations have on the surrounding community and on the company's stakeholders.
- The Multiplier Effect.
- Contributing through taxes.
- Avoiding Actions that Damage Trust.



## Social challenges of CSR

They refer to the management's obligation to make choices and take actions that will contribute to the well fare and interests of society as well as those of the organization. The following aspects have been found to be key for the social aspects of CSR for an organization:

- Responsibility towards Customers.
- Responsibility towards Employees.
- Responsibility towards the Community.



## Ethical challenges

- The rise of ethics training inside corporations, has helped CSR to spread. The aim of such training is to help employees make ethical decisions when the answers are unclear.
- The most direct benefit is reducing the likelihood of "dirty hands", fines and damaged reputations for breaching laws or moral norms.
- Organizations see increased employee loyalty and pride in the organization.
- Consumers are becoming more aware of the environmental and social implications of their day-to-day consumption decisions and in some cases make purchasing decisions related to their environmental and ethical concerns.



## Classification of stakeholders

### Employees (internal)

- Quality of their working life.
- The personnel's welfare and safety at work and upholding their skills and motivation for the work.
- Treatment and equal opportunities for all its employees, regardless of gender, age, race, or religion.

## Classification of stakeholders

### Customers (external)

- Effect on the company's profits.
- Good value for money, safety and durability of products or services.
- Standard or after sales service.
- Attention to queries and complaints.
- Adequate supply of products or services.
- Fair standards of advertising and trading.



## Classification of stakeholders

### The community (external)

- The reputation of a company at its location, influences its competitiveness.
- Additional vocational training places, recruiting socially excluded people, sponsoring local sports and cultural events, and partnerships with communities or donations to charitable activities.

## Classification of stakeholders

### Shareholders (internal)

- Shareholders and investors, through socially responsible investing are using their capital to encourage behavior they consider responsible. However, definitions of what constitutes ethical behavior vary.



## Systematic management of interest groups

- Ensure the commitment of top management, and particularly the CEO, is communicated throughout the organization.
- Appoint a CSR position at the strategic decision-making level to manage the development of policy and its implementation.
- Develop interest for and relationships with all stakeholder groups.
- Incorporate a social or CSR audit within the company's annual report.
- Ensure the compensation system within the organization reinforces the CSR policies that have been created, rather than merely the bottom line.

- Stakeholders have a vested interest in how the organization performs and the actions it engages in to conduct business.
- Stakeholders affect the organization by preventing the organization from succeeding or by supporting the organization's efforts.
- CSR is a self-regulation mechanism whereby an organization actively monitors society, the environment, global trends, ethical principles, and legal standards for compliance.



**Businesses have to achieve four levels of responsibilities for corporate stewardship excellence:**

1. economic responsibility: a business must remain profitable;
2. legal responsibility: a business is obligated to obey the law;
3. ethical responsibility: not only following the law, but also doing what is ethically and morally right;
4. discretionary responsibility: the highest level of CSR; a business voluntarily donates to philanthropies.

**Organizations that act socially responsibly, experience high levels of performance.**

# Methodological Tool II



**Questionnaire on CSR**  
**E-EUPA\_LO\_3.5\_M\_001**



# Review Questions

**In which aspects are responsibility for customers, employees and community key?**

- a) Social
- b) Ethical
- c) Environmental



# Unit key points

## **Key point 1**

Mission, Values and Vision are three interrelated concepts.

## **Key point 2**

The applicability of CSR can be environmental, philanthropic and ethical.

## **Key point 3**

The challenges of CSR are environmental, economic, social and ethical.

## **Key point 4**

The CSR-relevant stakeholders are the employees (internal), the customers (external), the community (external) and the shareholders (internal).





**WELL DONE!**

**You have completed Unit 3.2 - Part B**



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