Corporate Social Responsibility in the Practice of Public Relations Professionals

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Abstract

Are public relations a socially irresponsible profession? Although the image of public relations professionals can still be negative, in theory, they should help their organizations be socially responsible. This paper aims to explore the work of public relations experts concerning corporate social responsibility among those who work for successful retail chains in Croatia. The research paper resides on a survey conducted by the method of in-depth interviews with seven corporate communications managers selected among the 20 best retailers in the fast-moving consumer goods on the Croatian market. The research showed that the surveyed public relations experts are not directly in charge of the strategic planning of their companies socially responsible business programs. However, most respondents confirmed the existence of a communication strategy for CSR activities regarding different stakeholders. Besides, the results show that the heads of the communications department daily participate at the executive level of socially responsible programs. These results are showing that those corporate communications managers are generally not members of senior management, where decision-making takes place. Finally, the conclusion is that the surveyed public relations experts in their practical work mainly help their companies to be socially responsible.

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Introduction

Most people consider public relations to be an unethical profession (Grunig, 2014), accordingly, we can conclude that most people think public relations are a socially irresponsible profession. Therefore, although the image of public relations is still quite negative, in theory, PR professionals are expected to do just the opposite: they should be ethical advisors (Bowen et al., 2016) who help the organization behave ethically, responsibly, and sustainably (Grunig, 2014). Moreover, it is not something that only the theory of public relations dictates. Besides, the codes of the profession require it (Kim & Ki, 2014; Kolić Stanić & Barisić, 2019). Accordingly, do public relations professionals help organizations to be socially responsible in their actions? This paper will try to look at this current issue of the profession.

The issue of corporate social responsibility (hereinafter: CSR) is a complex and broad area of scientific work (Barić, 2017). Thus, the literature itself divides into two areas: the one with an ethical orientation and the one with a business orientation (Sitnikov & Bocean, 2016). Besides, CSR research separates into three levels: institutional, organizational, and personal (Mulović et al., 2015), so the main theories of CSR can be classified into four categories: instrumental, political, integrative, and ethical. CSR itself can divide according to the areas of business, social investment, and philanthropy (Gray, 1992; Marsden & Andriof, 1998; Shleifer & Vishny, 1997).

The complexity of the concept of CSR is increasing (Moura-Leite & Padgett, 2011). Therefore, it is not surprising that some authors view it as an umbrella under which sustainable business, ethics, corporate governance, stakeholder analysis, and marketing are combined (Barthorp, 2010). Such a broad view of the term requires an attempt to define it. Instead of a definition, only a few of the most important characteristic of CSR will be listed here: profit maximization, as well as the positive impact on society and the environment (Krkač, 2007), business plans which promote the social interest (Sommerville, 2007) and integrating social and environmental problems into business plans on a voluntary level (Aluchna, 2016). The European Commissions definition (2011) follows this, emphasizing that companies voluntarily integrate social, ethical and environmental issues into their business strategy and develop close cooperation with stakeholders to increase value for all stakeholders and society as a whole.

In theory, CSR and public relations are closely connected (Farmer, 2018; Kim & Reber, 2009), so much that we should not evaluate their effects separately (L’Etang, 1994). If in the heart of public relations is mutual understanding (L’Etang, 1994), then the importance of two-way communication and accountability to the public interest in management consulting should be clear. Public relations should be a bridge between the environment and the organization. In this process, CSR is, in itself, an example of symmetrical public relations. In practice, this would mean that public relations professionals are experts in communication, engaged in the strategical building of social responsibility (Clark, 2000; Fitzpatrick and Gauthier, 2001, Grunig, 2006).

Gregory and Tafra-Vlahović (2004; 2010) emphasize that mature democracies and economies in CSR are guided by social responsibility, while in transition and young countries, such as Croatia, CSR becomes a driver of social change, with companies having a role to play in the development of democratic accountability systems and community building. An increasing number of companies in Croatia are implementing socially responsible business programs, but still, Croatia will need some more time to bring the level of CSR closer to that of EU developed countries (Gregory and Tafra-Vlahović, 2010; Pejić Bach et al., 2015).
CSR research in the corporate sector in Croatia is becoming more numerous, and the following lines will state the results of those that are important for the subject of the research. According to the analysis of the 13 most successful companies in Croatia from 2012, selected according to the Southeast European Top 100, the overall development of the socially responsible business of the most successful Croatian companies was rated 3.38, i.e., good (Quien, 2012). A national survey from 2013 showed that the environment for the application of CSR in Croatia is unfavourable, that the term CSR is limited and viewed exclusively through the aspect of philanthropy, and that CSR practice is related to short-term image management and reputation, not with long-term plans (CEA, 2013). The same research confirmed that ethical, social, and environmental criteria are relevant and that 75% of surveyed companies implement them in business policies. Also, this research showed that CSR applies due to corporate culture and employee motivation. Further, only 32% of the same respondents report on CSR (CEA, 2013). According to a 2014 survey, only 30% of the analyzed companies have departments in charge of implementing and communicating CSR programs (Grudić Kvasić, 2014). According to the same research, only 30% of companies submit annual reports, and only 10% a combination of annual reports and sustainability reports. Galant and Černe (2017) showed that the trend concerning non-financial reporting in Croatia is non-disclosure. CSR is present and relevant in retail in the consumer goods sector (Mandić, 2019).

This paper aims to explore the connection between CSR and public relations in the sector of leading retail chains in Croatia. The base of this paper is research conducted by the method of in-depth interviews with seven corporate communications managers selected from the list of the 20 best retailers in the fast-moving consumer goods sector on the Croatian market according to the data reported in InStore magazine (2018).

The purpose of this paper is to examine the extent to which the public relations business in the sector of leading retail chains in Croatia is related to CSR. More specifically, this paper seeks to investigate whether public relations professionals are involved in CSR planning. Besides, the paper will explore the strategic planning of CSR communication. Furthermore, it will examine whether public relations experts are actively involved in the CSR program and in what way?

**Methodology**

As already mentioned, this paper is based on a qualitative method of an individual interview, as it is suitable for conducting in-depth research to gain insight into the opinions, attitudes, behaviours, and motives of the respondents. This qualitative method enables the discovery of complex relationships between the attitudes and actions of the respondents. The research used a semi-structured interview frame, with open-ended questions, some of which were predetermined and some improvised based on individual answers. Therefore, allowing greater breadth and freedom of expression for participants to offer themselves insight into certain aspects of the research topic.

The research within this paper examines the attitudes, behaviours, and motives of corporate communications managers selected among the 20 best retailers in the fast-moving consumer goods sector on the Croatian market according to the report of InStore Magazine in 2018, based on data from Poslovna Hrvatska for 2017. In their selection, a criterion is used that ensures better information of the participants on the topic, and the most common such sample is the sample of typical cases (Milas, 2004). The research in this paper included four female and three male respondents who represent a non-stratified intentional sample, and the main selection criterion is
their position as head of corporate communications of leading retail chains in Croatia. The interview request was sent to all 20 communication managers from the list in Table 1, and seven of them agreed to the interview. The respondents are aged from 33 to 42, all have university degrees, the majority are graduated economists, and their work experience is different and ranges from 8 to 17 years.

Table 1
List of the 20 best retailers in the fast-moving consumer goods on the Croatian market

<table>
<thead>
<tr>
<th>Retail chain</th>
<th>Location</th>
<th>Revenues in 2017 (in .000 HRK)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. KONZUM D.D.</td>
<td>Zagreb</td>
<td>9,348,012</td>
</tr>
<tr>
<td>2. LIDL HRVATSKA D.O.O. K.D.</td>
<td>Velika Gorica</td>
<td>4,718,014</td>
</tr>
<tr>
<td>3. PLODINE D.D.</td>
<td>Rijeka</td>
<td>4,239,653</td>
</tr>
<tr>
<td>4. SPAR HRVATSKA D.O.O.</td>
<td>Zagreb</td>
<td>3,761,928</td>
</tr>
<tr>
<td>5. KAUFLAND HRVATSKA K.D.</td>
<td>Zagreb</td>
<td>3,632,979</td>
</tr>
<tr>
<td>6. TOMMY D.O.O.</td>
<td>Split</td>
<td>2,700,434</td>
</tr>
<tr>
<td>7. DM-DROGERIE MARKT D.O.O.</td>
<td>Zagreb</td>
<td>1,737,663</td>
</tr>
<tr>
<td>8. STUDENAC TRGOVINA D.O.O.</td>
<td>Omiš</td>
<td>1,657,303</td>
</tr>
<tr>
<td>9. KTC D.D.</td>
<td>Križevci</td>
<td>1,478,636</td>
</tr>
<tr>
<td>10. MULLER TRGOVINA ZAGREB D.O.O.</td>
<td>Zagreb</td>
<td>1,404,418</td>
</tr>
<tr>
<td>11. LONIA D.D.</td>
<td>Kutina</td>
<td>602,434</td>
</tr>
<tr>
<td>12. BOSO</td>
<td>Vinkovci</td>
<td>592,690</td>
</tr>
<tr>
<td>13. MLIN I PEKARE</td>
<td>Sisak</td>
<td>545,138</td>
</tr>
<tr>
<td>14. RIBOLA, D.O.O.</td>
<td>Kaštel Lukšić</td>
<td>474,284</td>
</tr>
<tr>
<td>15. METSS D.O.O.</td>
<td>Čakovec</td>
<td>472,855</td>
</tr>
<tr>
<td>16. BIPA D.O.O.</td>
<td>Zagreb</td>
<td>460,440</td>
</tr>
<tr>
<td>17. GAVRANOVIC D.O.O.</td>
<td>Zagreb</td>
<td>449,155</td>
</tr>
<tr>
<td>18. TRGOVINA KRK D. D.</td>
<td>Malinska</td>
<td>399,883</td>
</tr>
<tr>
<td>19. STRIDON-PROMET D.O.O.</td>
<td>Dugo Selo</td>
<td>384,617</td>
</tr>
<tr>
<td>20. ISTARSKI SUPERMARKETI D.O.O.</td>
<td>Poreč</td>
<td>366,870</td>
</tr>
</tbody>
</table>

Source: Poslovna Hrvatska according to InStore magazine (2018)

Results
The results of the research divide into three groups, given the three questions posed in the introductory part of this paper.

Are PR professionals involved in planning the CSR programs for their companies?
Heads of corporate communications departments are mostly not directly in charge of the strategic planning of CSR programs. CSR programs are most often adopted at the senior management level, although they are sometimes encouraged by lower-level teams. Thus, for example, respondent 05 points out that the director makes all decisions related to CSR, and respondent 03 is on the same track when she points out that decisions on CSR planning come from the level of senior management. However, respondent 02 describes something different way of making decisions in the field of CSR and points out that part of CSR activities is in the business plan through the budget for donations and sponsorships, and part is realized based on ad hoc decisions. CSR strategies are adopted based on local initiatives because of the
actions of teams or individuals, explains respondent 01. Similarly, respondent 06 states that CSR plans come from the joint activities of several different divisions, and are most often encouraged by internal initiatives. The importance of internal stakeholders in making decisions about CSR is also stated by respondent 07, who says that they empower employee initiatives related to CSR.

However, there are no separate strategies dedicated exclusively to CSR programs. This fact raises the question of whether there is a person or team in the company in charge of carrying out CSR activities. Respondent 05 notes that officially do not have a person in charge of CSR or a specially developed program. Respondent 07 says that they do not have a formalized CSR program. The situation is similar in the company of respondent 01, where there is nobody exclusively in charge of CSR. However, different departments conduct CSR activities. Respondent 04 also mentions several departments that carry out CSR activities, so the occupational safety department takes care of environmental protection, while the marketing department manages donations and sponsorships, for which a tender announces once a year. Depending on the area in which the activities planning takes place, several departments are also in charge of CSR, reports respondent 06. Only respondent 03 points out that she is the person in charge of CSR and that she does not have an elaborate program, but that it is in preparation. Respondent 01 spoke about concrete contributions to CSR within the company, emphasizing that because of his initiative, most marketing activities involve CSR and that more assets are dedicated to marketing for the common good. Furthermore, respondent 03 strives to include in the business the basic, organizational, and social level of responsibility of their employees. It can also be mentioned that CSR activities are most often not evaluated according to known standards but by different systems of individual companies.

Is CSR strategic communication planned?
The research, therefore, showed that there are no concrete strategic plans that would be intended only for CSR of the companies. However, most respondents confirmed the existence of a communication strategy for CSR activities regarding different stakeholders. For example, respondents 01, 03, and 06 say that the company has a strategic plan of corporate communication that includes elements of social responsibility. However, on the other hand, it should be taken into account that not all respondents act according to their strategic communication plans. Just over half of the respondents work according to the strategic plan of corporate communications.

Are PR professionals actively involved in the implementation of the CSR program?
Although they are not directly responsible for the adoption of CSR programs, the majority of heads of corporate communications departments actively participate in the implementation of CSR projects, and CSR is a part of their everyday work. Also, respondents believe that due to their actions, CSR has a recognized role. Respondent 03 points out that she actively participates in the implementation of the CSR program and that all inquiries and initiatives daily go through her. Respondent 06 responds similarly, stating that he is directly involved in all CSR initiatives and programs and that he meets CSR daily in the course of his work. Respondent 01 also actively participates in CSR activities, but occasionally and related to individual projects. However, respondent 05 only partially participates in the implementation of CSR activities, and they are not included in his daily work. It is interesting how the
heads of corporate communications departments consider their actions in the field of CSR to be of great importance for the company. Thus, respondents 03 and 04 believe that their actions have an impact on the role of CSR in the company. Similarly, respondent 06 claims that the initiatives came from the communications department due to the high position of CSR on the companies business priorities.

As for CSR program communication techniques, companies most commonly used communication channels such as websites, social media, and local newspapers. A small number of respondents focus on informing internal stakeholders and use tools of instrumental unpublished communication such as internal newspapers. For example, respondent 06 explains how they communicate CSR through all regular marketing channels, and respondent 03 most often uses internal newspapers and a website to communicate CSR. Also, the response of respondent 02 is interesting because they do not emphasize their role in CSR activities such as donations unless there is a direct question from the media or other interested public. Namely, their company believes that such information should be transmitted to users by word of mouth. Only respondent 07 emphasizes the importance of recognition and the professional community, so they occasionally apply for tenders related to CSR, such as the tender of the Croatian Employers Association. The research has also shown the fact that most companies do not submit non-financial reports. For example, respondent 06 says they have not yet been involved in non-financial reporting, but plan to do so. Only respondent 07 states that they submit non-financial reports, and when writing, they use the ISO 9001 standard, while respondent 02 points out that they deliver non-financial reports. However, they do not follow any international standard.

Discussion
It remains to provide concise and relevant answers to the three questions posed from the beginning of this paper.

The first question this paper seeks to answer is: are PR professionals involved in planning CSR of their companies? Heads of corporate communications departments are mostly not directly in charge of the strategic planning of CSR of the company. CSR develops at the senior management level, and managers of corporate communications departments are generally not members of senior management. This is an important result that suggests the difficulty for public relations professionals to promote CSR within an organization (Kim & Reber, 2008). However, there are no separate strategies dedicated exclusively to CSR programs, and, usually, there is no person or team in the company in charge of carrying out CSR activities. Mostly, several departments are in charge of CSR activities, depending on the area in which they take place. The justification for this result could be the mentioned complexity of the field of CSR (Barić, 2017; Gray, 1992; Marsden & Andriof, 1998; Shleifer & Vishny, 1997) and the number of theoretical divisions mentioned in the introductory part of the paper (Mulović et al., 2015; Sitnikov & Bocean, 2016). However, this data is not surprising given the results of research showing that only 30% of companies in Croatia have departments in charge of the implementation and communication of CSR programs (Grudić Kvasić, 2014). Furthermore, activities in the field of CSR are usually not evaluated according to known standards. Such results give the right to conclusions of Gregory and Tafra-Vlahović (2010) when they say that Croatia will need some more time to bring the level of CSR closer to that of developed countries within the EU.

Second question: is CSR communication strategically planned? The research showed that there are no concrete strategic plans that would be intended only for
CSR communication. However, most respondents confirmed the existence of a communication strategy for CSR activities regarding different stakeholders. That means that social responsibility is a part of the strategic communication plans of the corporate communication department. This result confirms L’Etang’s aforementioned postulates on how public relations and CSR should not be evaluated separately (L’Etang, 1994). However, the problem remains that just over half of the respondents act according to the strategic plan of corporate communications.

Third question: do PR professionals actively participate in the implementation of CSR programs? Heads of corporate communications departments actively participate in the implementation of CSR activities that are mostly a part of their daily business. Furthermore, the leaders of corporate communications departments consider their CSR activities to be of great importance to the company. As for CSR communication techniques, companies most commonly used communication channels such as websites, social media, and local newspapers. In general, the conclusion is that the majority of respondents report their CSR, which is an increase compared to the data from 2013 when only 32% of them did it (CEA, 2013). In conclusion, most companies do not submit non-financial reports, which shows that the trend from 2014 is still current, namely that only 10% of companies in Croatia prepared a combination of annual reports and sustainability reports (Grudić Kvasić, 2014).

Conclusion

The research showed that public relations experts in the sector of leading retail chains in Croatia are mostly not directly in charge of the strategic planning of CSR programs of their companies. However, most corporate communications managers of leading retail chains have incorporated social responsibility as a part of the strategic communication plans of their department. Also, the heads of corporate communications departments of the leading retail chains in Croatia actively participate in the implementation of CSR programs, and most of these activities are part of their daily work. Finally, the conclusion is that public relations professionals in their practical work mostly help their companies to be socially responsible. Because this result is in line with the theory presented in the first part of the paper, it suggests an approximation of theory and practice.

Furthermore, the answer obtained to this question should include more research on a representative sample, which would gather public relations experts from other sectors. We hope that the results of this work can serve as a starting point for such new research.

Also, the obtained data showed that in many cases, public relations experts help their companies to be socially responsible in a proactive way, i.e., on their initiative, although mostly hierarchically speaking - from below. That is an indication that the surveyed corporate communications managers are generally not part of the decision-making team, but have an executive role. Given this fact, the practice here nevertheless seems far from the theory that ascribes a managerial function to corporate communications department heads.

Before the very end, it is worth mentioning some unexpected research data that reveal that, although it is a minority situation, there are communications managers who have a strategic communication plan but do not operate according to it. That fact deserves research that is more detailed in the future.
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