

# A Study of Communication of Corporate Social Responsibility on online media -A content analysis of sustainability reports of selected Passenger Vehicle Manufacturing Units in and around Pune region.

Shilpa Kulkarni,

*Research Faculty & coordinator, Brihan Maharashtra College of Commerce , Pune*

Dr. Tanuja Devi,

*Assistant Professor-BBA, MES Garware College of Commerce, Pune*

Dr.C.N. Rawal

*Principal, Brihan Maharashtra College of Commerce , Pune.*

---

## Abstract

Corporate social responsibility communication is used as one of the branding tool and hence extensive use of social media helps for more interactive experience (Vassileva, 2009). As the online media has become the most important part of mass communication, most of the Indian organization use social media to connect their CSR activities with stakeholders and hence it helps in brand creation. The Corporate social responsibility communication through social media offers more interactive and participative possibilities. The study of 5 major automobile organizations in light of CSR reporting on website and. The study focused on content analysis of the sustainability reports and website information. The methodology involved the detailed study of sustainability reports of the organizations and public communication of the organizations in consideration. The analysis of the sustainability reports shows that the one-way communication. The organizations are not comfortable in providing factual information on CSR projects and CSR projects are mostly skewed to education and women empowerment. This leaves room for more interactive and clear online presence which will enhance the CSR strategy for the organization. The Global Counterparts of these Indian organizations needs to be more participative also include few CSR endeavors in global online communication.

**Keywords:** *Advertising; communication; media ethics, corporate social responsibility.*

## Introduction

Stakeholder engagement is one of the prominent tasks of businesses in this era (Testarmata, Fortuna, & Ciaburri, 2018). The world is getting closer and instant availability of information has made the mass communication most interesting and yet very enchanting work. If the organizations have to stay up in market then the use of social media is inevitable ((Berg & Sheehan, 2014). Social media “can now significantly impact a firm’s reputation, sales, and even survival”(Verhage, 2014). Stakeholder engagement patterns have changes since the rise of web 2.0 Facebook, as the stakeholder is no more restricted to a geographical area but has wider reach and hence in control (Morsing & Schultz, 2006).

The concept of corporate social responsibility is relatively new edge concept. Although the organization grow in size and help in economic gains in first place yet these organizations also bear social responsibility as corporate citizens and as employers. As per this school of thought the organizations not only have economic and legal responsibilities but also have ethical and philanthropic ones (Carroll, 1991). The CSR strategies are more based on the vision and mission of the organization. The CSR projections are need to aligned with the vision & mission statement of the organization (Schiefelbein, 2012). CSR is more than just employee centric activity, it is manifestation of corporate citizenship and hence it is also used as tool to engage with stakeholders in productive way thus creating deep impact on the mind of general public (Martinuzzi, Kudlak, Faber, & Wiman, 2011).

Indian automotive industry (including component manufacturing) is expected to reach Rs 16.16-18.18 trillion (US\$ 251.4-282.8 billion) by 2026 (SIAM, 2017). As per SIAM 2017 reports India will be leader in shared mobility. Indian automobile sector is divided in three major segment namely Commercial vehicles, Passenger vehicles, Two wheelers. The passenger vehicle makes 15% of total production in year 2017 as per the SIAM report. As the paper is a part of ongoing research in Indian passenger vehicle manufacturing units it is essential to note that the organization considered in the research have manufacturing plants in and around Pune region. These organizations have sustainability policy and CSR policy which is well documented and available in Global Reporting Initiative (GRI) report.

The public relationship channels like website, corporate reports and other informative sources lack interactive medium. The information flow is guided by the organization and hence very less stakeholder engagement is observed in these channels. Where as in social media high of level of interactions between the organization and stakeholders ensures high level of understanding between stakeholder and organization (Bosco, 2017). The paper will help to understand the outcome of the social media communication and its impact on CSR related activities. Social media Communication is considered to be best medium to reach out to wide and diverse stakeholders. Organizational websites are considered as public domains which can be scrutinized more stringently than printed form (Coupland, 2005).

## Literature Review

The concept of CSR is wide spread one. The communication of CSR is utilized as marketing tool and also as popular management concept (Ihlen et al., 2011). CSR strategies when deployed properly give rise to profitable ventures (Bhattacharya, & Sen, 2010). However as per Ihlen, Bartlett, & May (2011) managers often fail to understand the right communication strategies and hence can not reach out to right kind of stake holders.

Social media include a variety of on-line media platforms using social networking sites such as Facebook, Twitter, and LinkedIn, video-sharing sites such as YouTube, and photo sharing sites such as Flickr and Picasa (Ingenhoff & Koelling, 2012). Organizations that are dedicated to CSR activities also have the responsibility to report social, ecological and economic outcomes of their actions to stakeholders and society at large (Carroll, 2009) CSR disclosures act as a tool for stating corporations' sustainable behaviours to stakeholders.

## Corporate Social Responsibility

Carroll (1991) has suggested the pyramid of four kinds of CSR responsibilities: ethical, economic, philanthropic, and legal. In Carroll's model, these responsibilities are offered within

a pyramid as consecutive layers and true social responsibility requires the completion of all four levels. Carroll also states that “the organization is expected to abide the law, respect society’s values, be economically profitable and a good corporate citizen”.

**Table 1: The Topic Coding**

<b>Categories</b>	<b>Society</b>	<b>Environment</b>	<b>Employees</b>	<b>Sponsoring</b>	<b>Volunteerism</b>
<b>Definitions</b>	Contain the activities of a company regarding the community.	Contains the activities of a company that impact nature in a positive way and which go beyond legal regulations.	Pay attention to the well-being of employees and exceed the legal commitments	Financial support of a person, group or organization.	Defined as support of a person, a group or an organization by financial help, benefit in kind or services, for which the company does not receive a return.
<b>Subcategories</b>	Health promotion, medical programs, art and culture, education and integrity.	Security, improvement, damage limitation and animal protection	Security, education, health, working conditions, and support with personal problems.	Culture, social concerns, education and sport.	Donations for social projects, donations for environmental projects and the promotion of voluntary work for employees

*Source: Ingenhoff & Sommer, 2011*

Corporate Social Responsibility is more perceived as the idea of people helping people. It is seen as balance creation like power flow from advantaged (i.e. organization) to disadvantaged may be women, poor, disabled, elderly or even unbalanced environment. Organizations perceive their CSR exertions to be admired as “windows” of doing good deeds instead of those activities being viewed as “window dressing” for their organizations, their products and, more importantly, a relatively reasonable way to realize brand enhancement (Kotler & Lee, 2005). As the idea of social inclusion evolved the organizations were expected to respond to societal needs as public or society was one of major stakeholder to it (Atli, Vidović, & Omazić, 2018). Ingenhoff and Sommer (2011) has developed the CSR pyramid in five categories namely: society, environment, employees, sponsoring and volunteerism. The table below depicts the development of the CSR pyramid.

## Corporate Social Responsibility & Communication

Stakeholders influence and importance needs to be recognized and hence the focus on relationship between the organization and its stakeholders. In this context, one way to manage the relationship between company and stakeholders is by engaging actively in a dialogue with stakeholders, that is, by communicating CSR (Testarmata et al., 2018).

Matten and Moon's (2004, 2008) suggests the concept *implicit* and *explicit* CSR communication from their research. These concepts based on rhetorical strategies and form base for further research. Morsing et al. (2008) and Morsing and Schultz (2006) who propose that integrity can best be achieved through indirect, implied ways of communicating. These researchers promote an *inside-out approach*, involving and committing employees in order to increase trustworthiness (Morsing et al.,2008). They furthermore suggested that businesses should only communicate CSR directly when dealing with experts, and the third party assured communication (the expert CSR communication process). When communicating with overall society and customers, Morsing et al. (2008) suggest the endorsed CSR communication process. He strongly advocates the communication via third party channel which adds trustworthiness to CSR communication.

The earlier research on CSR communication on social media of top 100 IT firms in India suggest that the information technological tool perhaps less utilised to create mindful communication in case CSR activities and communication. The researchers believed that the organizations should have more CSR related information in their website, as well as in reports (Cho, Furey, & Mohr, 2017).

The most crucial factor in designing CSR strategy is the dialogue between organization and the stakeholder i.e. government, customers, employees and the community (Clarkson, 1995). Corporations contribute in this interchange by making CSR report available for public, communicating their CSR philosophies and activities on corporate websites, and answering to public inquiries (Morsing & Schultz,2006).

Right from 1970s, the CSR reports and annual reports were used to study CSR policy of organization (Tang, &Li, 2009). The disclosures made in annual are used as the main corporate communication tools as they provided authentic information and hence widely used. According to few researchers some scholars, an annual report plays the most vital role in terms of building its social image to stakeholders. Although annual reports are valuable sources about an organization, when they are offered as the only data resource for social responsibility disclosure, companies can receive criticism for overlooking other forms of communication (Branco & Rodrigues, 2006).

## Method

The sustainability reports of five organizations were considered from year 2014 to 2018. In total there were 25 reports were considered for studies. The content analysis includes recognizing both the quality of the reported CSR activities in each of the five observed categories and the overall quality of the CSR reporting section.

The assessment of the quality of the reports was based on the coding as depicted in table 1. The grading system was given for each component -society, employees, environment, sponsoring

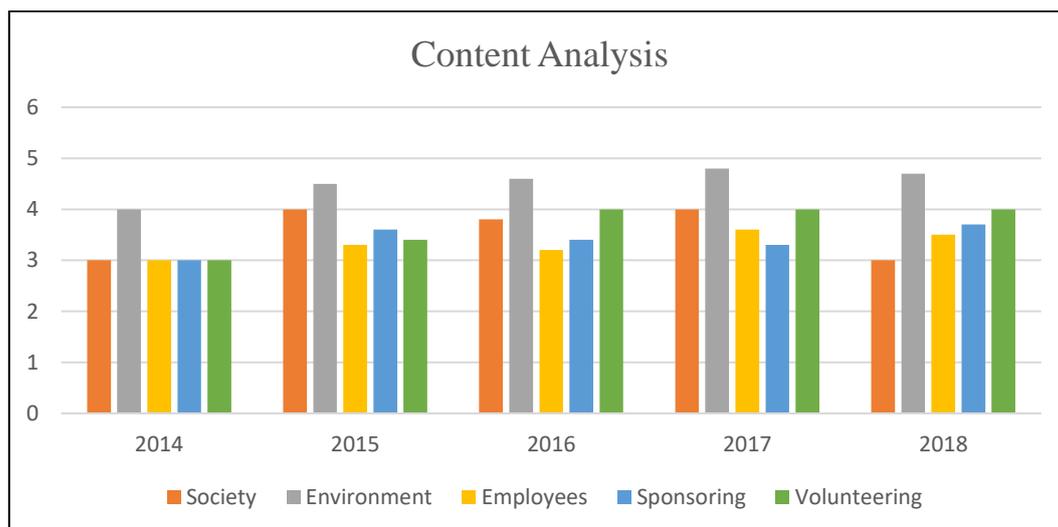
and volunteering. The content of reports was analysed as per the perceived value created and the efforts organizations exhibited. The sustainability report -CSR section was graded for its overall quality based on design of report and presentation of data. The grades were subjective but applied across all reports consistently.

## Findings

The 25 Global Reporting Index (GRI) sustainability reports were studied in detail and the websites of these organizations were also studied in detail. The content analysis of the reports was done on grading scale of 1 to 5 where 1 represent inadequately tracked project whereas 5 represent extremely pursued activity.

The organizations had decided webpages on the official website to communicate regarding CSR strategy, vision activities. The content of all organization projected vision and expenditure on various projects. Two organizations shared volunteering information and also appealed to general public for volunteering thus demonstrating higher level of stakeholder engagement. The websites of American origin organization communicated more on the global aspect of CSR and also shared few projects of the local level. Italian organization website covered major projects across the globe and also stated the expenditure and sponsorships for CSR projects. The Italian and American origin organizations websites do not communicate much on employee participation and volunteering opportunities. Indian origin organization have communicated about CSR partners in detail and expect the general public to suggest prospective CSR project as well. All the organizations are very active on social media and use Facebook and twitter to communicate about the CSR activities.

The content analysis of 5 organizations for five years (2014 to 2018) the grading scale provided following results. The yearly reports were analysed and the grades were averaged out for each code. There are 5 reports for each year, the average grades are considered for the graph depicted below.



*Figure 1: Sustainability Reports - Content Analysis*

The graph depicts more of environment inclined CSR strategy for most of the organization. The volunteering is more code which has gained more importance over the few years. The

graph also employees code has changed over the period of time. Society code is reported almost similar fashion.

Code	Average Points
Society	3.56
Environment	4.52
Employees	3.32
Sponsoring	3.4
Volunteering	3.68

Table 1: Average score for the codes for the all report

The above the scores indicate that environment code is maximum reported along with volunteering code. Table 1 also indicate that the employees are the list reported code and this essentially depicts the engagement of employees in CSR activities.

## Conclusion

The content analysis of the sustainability reports of the passenger vehicle manufacturing organizations suggests that environmental CSR projects, community projects and volunteering code are more important .This indicate that the CSR communication is more focused with the external stakeholder like general public however the sponsorship code is less communicated which indicates that the organizations are less likely to partner with other entity. Employee code is list reported and this indicate that the CSR communication is more of branding exercise.

## References

- Atli, D., Vidović, M., & Omazić, M. A. (2018). *Communicating Corporate Social Responsibility on the Web. International Journal of Sustainable Entrepreneurship and Corporate Social Responsibility*, 3(2), 1–17. <https://doi.org/10.4018/ijsecsr.2018070101>
- Branco, M. C., & Rodrigues, L. L. (2006). *Communication of corporate social responsibility by Portuguese banks: A legitimacy theory perspective. Corporate Communications*, 11(3), 232–248. [doi:10.1108/13563280610680821](https://doi.org/10.1108/13563280610680821)
- Berg, K. T., & Sheehan, K. B. (2014). *Social media as a csr communication channel: The current state of practice. Ethical Practice of Social Media in Public Relations*, 99–110. <https://doi.org/10.4324/9781315852171>
- Bosco, B. Del. (2017). *The evolution of CSR communication on the Internet*, 1–29.
- Clarkson M. (1995). *A Stakeholder Framework for Analyzing and Evaluating Corporate Social Performance, Academy of Management Review*, Vol. 20, No. 1, 1995, pp. 92-117.
- Carroll, A. B. (1991). *The Pyramid of Corporate Social Responsibility: Toward the Moral Management of Organizational Stakeholders. Business Horizons*, 34(4), 39–48. [doi:10.1016/0007-6813\(91\)90005-G](https://doi.org/10.1016/0007-6813(91)90005-G)

- Carroll, A. B. (1999). *Corporate social responsibility – evolution of a definitional of a definitional construct*. *Business & Society*, 3(38), 268–295.  
[doi:10.1177/000765039903800303](https://doi.org/10.1177/000765039903800303)
- Carroll, A. B. (2009). *A History of Corporate Social Responsibility: Concepts and Practices*. *The Oxford Handbook of Corporate Social Responsibility*, (January 2008).  
<https://doi.org/10.1093/oxfordhb/9780199211593.003.0002>
- Cho, M., Furey, L. D., & Mohr, T. (2017). *Communicating corporate social responsibility on social media: Strategies, stakeholders, and public engagement on corporate facebook*. *Business and Professional Communication Quarterly*, 80(1), 52–69.  
<https://doi.org/10.1177/2329490616663708>
- Coupland, C. (2005). *Corporate Social Responsibility as Argument on the Web*. *Journal of Business Ethics*, 64(5), 355–366.
- Ingenhoff, D., & Koelling, A. M. (2012). *Media governance and corporate social responsibility of media organizations: An international comparison*. *Business Ethics*, 21(2), 154–167. <https://doi.org/10.1111/j.1467-8608.2011.01646.x>
- Ingenhoff, D., & Sommer, K. (2011). *Corporate Social Responsibility Communication: A Multi-method Approach on Stakeholder Expectations and Managers' Intentions*. *Journal of Corporate Citizenship*, 42(42), 73–92. [doi:10.9774/GLEAF.4700.2011.su.00007](https://doi.org/10.9774/GLEAF.4700.2011.su.00007)
- Matten D and Moon J (2004) 'Implicit' and 'Explicit' CSR: A conceptual framework for understanding CSR in Europe. *ICCSR Research Paper Series 29–2004*.
- Matten D and Moon J (2008) 'Implicit' and 'Explicit' CSR: A conceptual framework for a comparative understanding of corporate social responsibility. *Academy of Management Review* 33(2): 404–424.
- Martinuzzi, A., Kudlak, R., Faber, C., & Wiman, A. (2011). *CSR Activities and Impacts of the Automotive Sector*. *RIMAS Working Papers*, (3), 35. Retrieved from [http://www.sustainability.eu/pdf/csr/impact/IMPACT\\_Sector\\_Profile\\_ICT.pdf](http://www.sustainability.eu/pdf/csr/impact/IMPACT_Sector_Profile_ICT.pdf)
- Morsing, M., & Schultz, M. (2006). *Corporate Social Responsibility Communication: Stakeholder Information, Response and Involvement Strategies*. *Ssrn*, (January 2008).  
<https://doi.org/10.1111/j.1467-8608.2006.00460.x>
- Morsing M, Schultz M and Nielsen KU (2008). *The catch 22 of communicating CSR: Findings from a Danish study*. *Journal of Marketing Communications* 14(2): 97–111.
- Society for Automobile Manufacturers Association, (SIAM), (2017). *Automobile Production Trends Table*, retrieved from <http://www.siamindia.com/statistics.aspx?mpgid=8&pgidtrail=13>, accessed on 12 May 2018.
- Schiefelbein, K. (2012). *Using the right CSR communication strategy : The impact on consumer attitude and behavior*. University of Twente, 1. Retrieved from <http://essay.utwente.nl/62190/>
- Tang, L., & Li, H. (2009). *Corporate social responsibility communication of Chinese and global corporations in China*. *Public Relations Review*, 35(3), 199–212.

doi:10.1016/j.pubrev.2009.05.016

Testarmata, S., Fortuna, F., & Ciaburri, M. (2018). *The communication of corporate social responsibility practices through social media channels. Corporate Board: Role, Duties and Composition*, 14(1), 34–49. <https://doi.org/10.22495/cbv14i1art3>

Vassileva, B. (2009). *Corporate Social Responsibility - Corporate Branding Relationship: An empirical comparative study. Management & Marketing*, 7(1), 13–28.

Verhage, S. (2014). *Corporate Social Responsibility Communication on Social Media: How do companies communicate their CSR strategies?*, (June), 39–58. Retrieved from [https://www.google.co.in/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0ahUKEwi6rYS5xujWAhXLQI8KHYPDJgQFggnMAA&url=https%3A%2F%2Fthesis.eur.nl%2Fpub%2F17732%2FVerhage.pdf&usg=AOvVaw1Dm3mUkRcq\\_36g7F43gJWr](https://www.google.co.in/url?sa=t&rct=j&q=&esrc=s&source=web&cd=1&ved=0ahUKEwi6rYS5xujWAhXLQI8KHYPDJgQFggnMAA&url=https%3A%2F%2Fthesis.eur.nl%2Fpub%2F17732%2FVerhage.pdf&usg=AOvVaw1Dm3mUkRcq_36g7F43gJWr)