Authenticity: The Lifeline of Organizational Corporate Social Responsibility

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Introduction

Corporate social responsibility (CSR) is no longer a differentiating factor for organizations; its usage has increased and become widespread across diverse sectors, growing into a standard organizational expectation. Once authentic intentions to interject good into the world have now been fortified and falsely mimicked by those seeking to reap the benefits that come from engaging in CSR. What was once a novel concept has now evolved into a mundane and often strained entity.

According to Howard R. Bowen, a famed thinker on the subject, CSR is, "the obligations of businessmen are to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society" (Carroll, 1999, p. 270).

The "those" to which Bowen refers to are the actions that organizations take to extend beyond the standard expectations of business. Bowen arrived at this definition based on what he witnessed, as hundreds of larger businesses became immense decision and power centers, their business activities largely impacted the lives of the citizens around them (Carroll, 1999).

Although CSR definitions and understandings have advanced over the years, it is Bowen's foundational understanding that I wish to draw upon within this paper in relation to the current state of CSR and the ways initiatives are presently being pursued and communicated. My interpretation of this definition is that the role of CSR is to foster social well-being and to support the environment through sustainable initiatives in areas where businesses are making an impact,

be it on the citizens or the environment. CSR was intended to benefit the global collective and foster an environment for change; I propose that a key success factor of modern CSR is authenticity.

Several scholars have noted the absence of authenticity from current business, management and CSR literature and the increasing importance of its inclusion (Beckman, Colwell & Cunningham, 2009; Snider, Hill & Martin, 2003; Liedtka, 2008). This paper aims to provide a distinctive contribution to present-day literatures by highlighting the pertinent role authenticity has in shaping today's business climate.

Authenticity

What exactly is authenticity, in the context of CSR? What is it that organizations should strive to be? Similar to CSR definitions, authenticity also has numerous understandings; one such definition of relevance to this paper is, "an integral expression of genuine realness" (Beckman., et al. 2009, p. 199). Martin Heidegger famously stated, "Each one of us is what he pursues and cares for;" authenticity therefore is driven by human passions to pursue activities which make us who we are, and as Jackson (2005) noted, authenticity most often arises in moments of either purpose or ambiguity (Liedtka, 2008). My question is when and why has the shift occurred from authentic CSR pursuits to those of an insincere nature, and how can the former be determined from the latter?

The purpose of this research paper is to provide a clearer understanding of why in so many cases modern CSR is lacking in authenticity. This paper also aims to support that authenticity and CSR when combined as interconnected parts, can

impact organizational success and the corporate ability to do good. What are the possibilities when we put this lifeline in play? I hypothesize that authenticity will act as an organizational lifeline and that an organization's CSR success is largely due to the ways in which the organization pursues and communicates all initiatives and how those initiatives are perceived.

Organizations need to employ this lifeline and understand its significance for CSR. Modern CSR needs revitalization in order to be deemed authentic. Organizations whose lifeline's are diminishing and whose only understanding of CSR is to appease consumer expectations and bolster reputation should be cautious of the consequences on their success. Those whose lifelines are thriving and whose understandings are genuine and real, have the potential to positively impact the environment and change the lives of people in communities around the world.

Economist Milton Freidman posited that CSR and actions toward social good are not in the best interests of business and that the only responsibility of business is to make a profit (Carroll, 1991). Although in disagreement with Friedman on this stance, I argue that if businesses are going initiate social pursuits, they must do so with utmost legitimacy and integrity. With corporate and organizational scandals occurring around the globe and scepticism of organizational intentions to do good on the rise, the grounds for authentic CSR have never been more primed.

In 2010, the European Commission stated, "CSR is more relevant than ever, and is a key element in ensuring long term employee and consumer trust;" similar is believed to be true for North America (McShane & Cunningham, 2012, p. 81). Research has shown that as consumers become increasingly conscious of the impacts of business on the world around them, their call-to-action is for organizations to pursue more socially oriented business practices, and they are willing to reward those who perform accordingly; corporate social performance (CSP) was found to be particularly important in developing these positive associations (Pivato, Misani, & Tencati, 2008).

Wood's expansion on Watrick and Cochran's 1985 CSP definition states that CSP is, "A business organization's configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm's societal relationships," (Wood, 1991, p. 693). CSP is vital in helping stakeholders form authenticity judgements, as it is provides tangible evidence that must be present in building trust and support. Pivato et al. (2008) found a strong correlation between trust developed by a company's social actions, and consumer purchase intentions, which relates back to the consumer call-to-action.

Authenticity Perceptions

Communication

Authenticity in communication is a crucial aspect of successful CSR. It can help facilitate positive attributions toward a company and its activities, while the opposite can cause an organization's CSR pursuits to fail. Communication has the ability to strengthen and foster relationships, drive business, and enhance company appearances, but it also has the potential to destroy and deteriorate the former when used improperly. Research has found that scepticism among stakeholders

can be caused by a lack of awareness of CSR activities and motivations (Du, Bhattacharya, & Sen, 2010, p, 9). It has also been found that this lack of awareness is due in part to an absence of transparency among various stakeholder groups, where instead of being included in the on-goings of the organization, they are being kept out (Du et al., 2010, p. 9).

The initiatives an organization pursues can often leave stakeholders with a knowledge dissonance to the CSR if the initiative is a contradictory fit with the organization and who the stakeholder perceives them to be (Hildebrand, Sen, & Bhattacharya, 2011 p. 1357). Stakeholders often make one of two assessments: 1) intrinsic (public-serving), or 2) extrinsic (self-serving) (Becker-Olsen, Cudmore, & Hill, 2006, p. 47). When an organization's CSR initiatives are viewed as intrinsic, most often stakeholders perceive that the organization is pursuing the initiative out of a genuine, internal desire to do social good; when it is perceived as extrinsic, stakeholders make assumptions that the organization's motivation is solely profit-driven— employees in particular note whether their organization's social objectives come secondary to financial, or if both are valued (Becker-Olsen et al., 2006, p. 47; McShane et al., 2012, p. 88). Ellen et, al. (2006) found that as a stakeholder's awareness of an organization's motivations for CSR increases, they are more willing to tolerate extrinsic motivations, and a 'win-win' outcome, so long as initiatives are linked to intrinsic motives; stakeholders accept this mix trusting that initiatives will serve both business and societal needs (Du et al., 2010, p.15). I will make reference to this topic later in a discussion on initiative fit perceptions and corporate match-up of objectives and actions.

Actions speak louder than words—a most appropriate statement to describe modern CSR and the stakeholders' expectations. What is being communicated, must reach beyond words and good intentions. Organizations are unconsciously communicating their true intentions without being aware of the messages stakeholders are receiving, and the perceptions they are forming. Organizations must begin to stand behind their communications and align their actions with their values and as McShane et al. (2012) states, "Transfer statements into tangible and measurable actions that can be monitored, tracked and reported on a consistent basis" (p. 88). It is essential that the messages being communicated align both internally and externally as well; this identity alignment is imperative for insuring CSR initiatives are perceived as authentic (McShane et al., 2012, p. 81).

CSR is not an organizational show-and-tell, where social accomplishments for good should be utilized as a type of vanity. Those who boast their achievements and use their initiatives to boost their images, miss the vital understanding that CSR can be a differentiating, competitive advantage when perceived authentically—which can be shown by letting others do the talking. When organizations act in socially responsible ways people want to be made aware, but research shows that such behaviours are perceived more authentically when received through secondary, unbiased sources rather than the organizations themselves (Yoon, Gürhan-Canli & Schwarz, 2006, p. 379).

Employee Perceptions

Scholars have noted the absence of employee authenticity perceptions as well from most CSR literatures (McShane et al., 2012, p. 82). This finding seems incongruous considering the role of employees in business matters, most particularly in organizational support through work behaviours, job fulfillment, moral, and acting as organizational ambassadors. McShane et al. (2012) found that employee authenticity judgements of their organization's CSR initiatives were derived mainly from two facets: the first being that the initiative aligns with the organizational-self, which was identified above as being an important factor within stakeholder communications as well, and the second: the initiative must be developmental in nature (p. 81).

According to Jeanne Liedtka's work on authentic organizational processes, in order to be developmental, an organization must continually be in the process of "becoming and evolving", which in regards to CSR, might be understood as constantly adapting to align initiatives with the current social standards to ensure impactful and tangible outcomes (As cited in McShane et al., 2012, p. 86). This is important to note because employee perceptions largely influence others' perceptions. In a study conducted by McShane and Cunningham (2012), it was found that employees observed: the amount of resources dedicated to CSR, embeddedness of employees and management, alignment of words and actual actions—both internally and externally, and the match between monetary and social goals to inform their judgements (p. 87).

An important finding of the study was in order to be deemed authentic, emotional engagement in CSR activities is critical; when higher management is passionate and involved in a given initiative, employees view it as more authentic (McShane et al., 2012, p. 91). To quote the motto of a guest lecturer from The Calgary Foundation, who spoke in my Mount Royal University non-profit course, Rebels with a Cause, "Use your head, your heart and your hands;" what better way to show authenticity than actual participatory engagement. Liedtka describes authenticity as, "An ideal that develops over time, through the fostering of an appropriate environment by organizations and their leaders, as opposed to an ideal that appears automatically" (Liedtka, 2008, p. 246); authenticity must be fostered from the top down and led by example. McShane et al. (2012) state, "you need to have 'your house in order first' before attempting to impact others; consumers and competitors mustn't be the only focus either" (p. 88). Employee perceptions are highly significant as they are the forefront of the organization and therefore must stand behind the CSR for it to be effective.

Examples in Practice

A study by Beckman, Colwell and Cunningham (2009), on the development of CSR in Chile provided insightful evidence of the importance of authenticity in the developmental stages of CSR. Prior to the year 2000, the pursuit of CSR in Chile was quite limited, but as organizations began incorporating CSR platforms into their business practices and utilizing authenticity as the foundation to their approach, they emerged as an exemplary model of modern day CSR (Beckman et al., 2009, p.192). In the study, Beckman et al. (2009) found that employee and stakeholder perceptions of authenticity only develop when there is a perception that initiatives

are being linked to the "heart of the business," and are central to the organization's day-to-day business operations as opposed to being added organizational components that lack intention (p. 201). Referring to earlier mentions by McShane et al. this embeddedness plays a critical role in the formation of authenticity judgements.

The study concluded that for organizations in Chile, perceptions of authenticity arose when initiatives were ethically grounded and when the organization itself had a meaningful commitment to the issue and took action to resolve it in a tangible way (Beckman et al., 2009, p. 203). The study provided evidence of a relationship between stakeholder networks and authenticity, and found that because organizations function through networks, authenticity perceptions often determine whether CSR initiatives succeed (Beckman et al., 2009, p. 203). With any CSR platform, new or existing, it is imperative that management understands the importance of their decisions and planning, as their choices according to Beckman et al. impact diverse stakeholder sets and require thoughtful consideration and country-specific tailoring to be effective (p. 203). CSR shouldn't be seen as a one size fits all approach; it must be adaptable and transformative, which relates to Liedtka's earlier mention.

Tailoring Initiatives

Research has shown that initiatives must align with the consumer's previous understandings of the organizational identity in order to be perceived as authentic, (Becker-Olsen et al., 2006, p. 47). In this discussion of tailored initiatives, Becker-Olsen et al. (2006) explored three facets of an organizations' CSR, which they hypothesized

were linked to consumer perception development:

1) perceived fit (organizational core and initiative), 2) perceived corporate motive (intrinsic versus extrinsic), and 3) timing of announcement/approach (e.g.: reactive vs. proactive):

> [L]ow-fit initiatives have negative impacts on consumer perceptions regardless of motivations, and profit-driven, high-fit initiatives were found to have the same negative impact. Additionally, timing was an impactful cue for consumers in deciphering which initiatives they perceived to be authentic; those initiatives which were high-fit and proactive were the only to improve consumer perception in regards to beliefs, attitudes, and purchase intentions. (Becker-Olsen et al., 2006, p. 46)

An example of such fit determination could be if an organization's daily business activities have a negative social impact, such as environmental damage. If this is the case, the pursued initiative mustn't fall into a category that seeks to simply reverse their actions. Yoon et al. (2006) notes that in such instances, suspicion of insincerity increase as stakeholders perceive that the organization would otherwise alter its business activities if it were pursuing the CSR activity authentically (p. 379).

Several Scholars have found that consumer attitudes toward organizations improve when a firm relationship is present between the initiative and organization, as the fit aligns with consumer expectations, associations, and understandings of the organization, allowing for the consumer to perceive the initiative as well-

aligned and authentic (Becker-Olsen et al., 2006, p. 47). Becker-Olsen et al. (2006) also found that organizations who want stakeholders to perceive them as do-gooders, can do so by selecting initiatives appropriately by communicating motivations clearly and by straying from low-fit initiatives that weaken consumer perception (p. 51).

Inauthenticity: The Downfall of Corporate Social Responsibility

Modern CSR has been misused and misunderstood; it has been utilized as a marketing tool solely intended to increase profit and boost reputations by appealing to consumer expectations. It has become a type of suturing of corporate misbehaviour, rather than a tool for the collective good. In the past CSR was an ideal that set organizations apart from competitors and made people believe that change was possible, but this is not the case for modern CSR. What has brought CSR to its current standing and how can inauthenticity be determined? According to Du et al. (2010) stakeholders become sceptical of an organization's CSR activities when they feel an inconsistency exists between what the organization claims publicly as their motivation what the stakeholder perceives the motivation to be:

> [P]erceptions of inauthenticity can be curved if organizations can exhibit both intrinsic and extrinsic motives and with such efforts, can then enhance credibility of the CSR platform and even create positive associations with their brand. (Du et al., 2010, p.10)

Trust is crucial in order to be considered authentic by employees and stakeholders; to facilitate trust, organizations must be transparent not only in their communications, but in all aspects of their business activities (Beckman et al., 2009, p. 200). Another finding is that stakeholder perceptions of authenticity are critical determinants of CSR initiatives success and that an organizations transparency with stakeholders is often used as an indicator of how aligned the organization is to its core values (McShane et al., 2012, p. 84). The involvement and support of management in CSR programs is of utmost importance in order for initiatives to succeed. Organizations must select initiatives cautiously and commit to resolving the social issues they choose to support; by doing this they help to ensure that stakeholders receive the intended communications and can inevitably deem initiatives as authentic (Becker-Olsen et al., 2006, p. 204). Becker-Olsen et al. (2006) also provide evidence that when initiatives are neither at the core of the organization, nor an appropriate fit, the CSR activity becomes an organizational disadvantage and often impedes the CSR program's effectiveness (p. 52). When inauthenticity is suspected, the adoption of a CSR activity may be slowed and even potentially abolished altogether (Beckman et al., 2009, p. 203). Finally, in order to reduce stakeholder suspicions, organizations must act with sincerity, according to Yoon et al. (2006):

> [I]f sincerity is perceived as ambiguous or lacking in the CSR activity in the eyes of stakeholders, initiatives become ineffective and damage the organization's image. (p. 385)

Inauthenticity will no longer be expectable as stakeholders become more aware of authentic CSR and raise the standards to do well while doing good.

The Case for Modern CSR

An organization that has garnered worldwide attention for leadership and advocacy of CSR is Canadian airline, WestJet. For the purposes of this research, I explored the organization to gain a clearer understanding of what makes them recognizable agents for social change through their CSR activities. WestJet differentiates themselves from others in the industry not only through passionate commitment to building and strengthening their organizational culture of 'care,' but by living their core values through carefully selected initiatives. Some of WestJet's values include: being positive and passionate in everything they do, aligning the interests of WestJetters with the interests of the company, and being honest, open and keeping commitments (WestJet, About WestJet, n.d.). These values speak volumes of the organizational identity WestJet wishes to employ and convey.

They by all appearances work fervently to ensure stakeholders authentically perceive their initiatives for the global collective, and while others boast of their activities and eagerness to do good, WestJet continues on to reinvent ways of doing more for communities and the environment. Their culture is centered on this mission: " to enrich the lives of everyone in WestJet's world," (WestJet, About WestJet, n.d.) and their efforts show their intrinsically-driven mentality, though highly profitable, an outcome that stems from their authenticity and the support of those around them for such pursuits.

WestJet's CSR initiatives are at the heart of the business, within the employees and in the watchful eyes of their stakeholders. It is evident that each initiative has been selected due to its meaningful significance and relatedness to the organizational identity. Some of WestJet's community investment initiatives include: WestJet Cares for Kids—a partnership with eight national charities positively impacting children's health and wellness, WestJetters Caring for Our Community—supporting employees who volunteer their time and energy to organizations in their communities, and WestJet Hero Holiday—a homebuilding initiative in Puerto Plata, Dominican Republic, among many others including both immensely publicized Christmas Miracle campaigns (WestJet, n.d., Community Investment).

In addition to these, WestJet is part of the Global Reporting Initiative and is committed to responsible and sustainable growth. They are the first airline in Canada to release a sustainability report adhering to the Global Reporting Initiative's guidelines (GRI) and have taken several steps to reduce their environmental impact (WestJet, n.d., Global Reporting Initiative). They have also significantly improved their fuel efficiency by switching to newer, more fuel-efficient fleets, and are the recipients of the 2011 Leadership in Energy and Environmental Design Standards (LEED) certification for their home base initiatives including: maximized natural light, rainwater reclamation tanks and geothermal heating (WestJet, n.d., Global Reporting Initiative; WestJet, n.d., Caring for Our Environment).

Recommendations

The benefits of authentic CSR are remarkable and I've ensured many have been highlighted throughout this paper, such include: consumer support through purchase behaviours, heightened competitive advantage, increased credibility

and trustworthiness among stakeholders, and strengthened employee connectivity at all levels of the organization. Authenticity isn't difficult to achieve; being true to oneself, or in this case, true to the organizational identity, should be easy— referring back to Martin Heidegger, "we are what we pursue and care for," therefore, being real should be an organizational strength, not a weakness (Liedtka, 2008, p. 238). My recommendation is that organizations seeking to pursue CSR, or to continue growing their platforms, consider the implications of their actions and note that authenticity has been identified as a particular determinant in the success or failure of an organization's CSR; it is the lifeline. CSR is not a pre-packaged item that can be replicated and recreated; it must be genuine. I suggest that organizations seeking to make real identifiable change in the world look to organizations like WestJet for inspiration to help them pave the way for future authentic actions.

Conclusion

The title of this paper is *Authenticity: The Lifeline of Organizational Corporate Social Responsibility* not because I argue that without authenticity CSR would no longer exist, but rather, that modern CSR and the ability to do good require authenticity and a genuine desire to make change, and to understand the implications of a lack of intentionality. CSR still has a place in the 21st century, which this paper demonstrates. However, in order for it to be effective organizations must want to see the impacts their CSR can have- not only on stakeholders and day-to-day business activities- but also on the global collective. This paper does not intend to discourage pursuits of CSR; rather the opposite is intended. This paper demonstrates that as consumer awareness

increases regarding authenticity and as desires to support the truly socially responsible rise, that falsely undertaken CSR initiatives will no longer be tolerated or embraced by society. It also provides support for the notion that when authentic CSR initiatives are present, linked to an organization's core and communicated with openness and transparency, that stakeholder perceptions are enhanced and can therefore enable CSR to bring about social change and impact.

Authenticity is about being more than the expectation; it is about going above and beyond. Organizations that recognize this and extend themselves beyond the mundane expectations of business set themselves apart from those merely achieving the minimum. Yes, the obligation of business is to make a profit and when Friedman stated this he wasn't wrong, but if an organization is to pursue CSR, they have to want to be the difference, they must be more than profit-driven; successful organizations understand how to do well while doing good.

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