

## Going for gold with CSR

*VANOC forges link between HR and sustainability goals*

BY CORO STRANDBERG

The Vancouver 2010 Winter Olympic Games were more than just a record gold medal haul for Canada. Behind the scenes, the Vancouver Organizing Committee (VANOC) achieved a gold standard in sustainability and corporate social responsibility (CSR) by forging an early link between human resource and sustainability goals.

VANOC's HR playbook is a must-read for other HR managers who hope to see the same success.

VANOC's game plan for linking HR and sustainability or CSR — the incorporation of social and environmental factors into the governance, strategy, management and operations of an organization — included the following moves:

**Mission and values:** Sustainability was built into VANOC's vision to build a stronger nation — through its passion for sport, culture and sustainability — and values that included team, trust, excellence, creativity and sustainability. HR set out early to build a culture within VANOC based on those values.

To succeed in its sustainability or CSR aims, an organization needs to incorporate CSR commitments into its DNA, through its mission, vision and values. HR can support this effort by helping to develop the vision and values that will shape the organization's culture and aspirations. VANOC defined its sustainability vision to include environmental stewardship, social inclusion and Aboriginal participation.

**Recruitment:** VANOC built CSR values alignment into the recruitment of 5,000 staff, including 1,500 full-time and 3,500 short-term employees. To work for VANOC, every employee or volunteer was screened against those values and required to show openness to, and acceptance of, the sustainability philosophy.

One way to guarantee a CSR culture is to hire staff aligned with values that are centred around sustainability or CSR. By incorporating CSR into recruitment programs, including an employer brand, value proposition and interview process, organizations can build a values-aligned employee base. Early exposure of recruits to an organization's CSR commitments is also important through, for example, the orientation process.

**Compensation:** VANOC included sustainability in the compensation scheme for senior leaders. For example, in 2005, sustainability was

built into the 60-per-cent variable pay, team performance objectives for the CEO and executives, including environmental and social inclusion deliverables.

For many, a key motivator can be employee compensation. HR managers have a central role to play in designing compensation and performance management systems. The opportunity exists to incorporate CSR objectives into job descriptions, annual performance plans and team goals. In addition, if senior leadership has CSR woven into its compensation, there is an increased likelihood CSR will be viewed as important to the organization. HR can coach business units on meaningful goals to advance an organization on a CSR path.

**Celebrations:** VANOC celebrated sustainability milestones with staff, recognizing their sustainability initiatives and sharing their sustainability stories with staff along the way.

For organizations to successfully foster a CSR ethic, it is important to raise CSR awareness. Generic sustainability training for all staff and specialist training for technical staff can help a workforce better understand the drivers and trends underpinning the organization's approach. In addition to financial incentives, informal recognition rewards help motivate and encourage staff to adopt sustainable behaviours and make sustainable decisions in the workplace.

VANOC gave out "Greenies" to recognize staff environmental leadership, for example. Many organizations promote staff sustainability engagement through "champions" and "green teams" who implement sustainability initiatives at the grassroots level and help deliver an organization's overall sustainability goals.

### Building business case

But inevitably some objections arise: What is the business case for CSR and why HR?

Companies that take CSR seriously can experience profitability growth and above-average performance, even in an economic downturn. While it's difficult to establish causality, companies that rated CSR efforts most highly over the prior three years saw annual profit increases of 16 per cent and share price growth of 45 per cent, found a 2008 study by The Economist Intelligence Unit. And those that ranked worse reported growth of seven and 12 per cent, respectively.

And companies committed to sustainability

outperformed industry peers in financial markets, found a 2009 study by management consulting firm AT Kearney.

But the message is increasingly clear: Those firms that adopt sound CSR programs can save costs, attract the best and the brightest, retain and motivate staff, enhance brand and reputation, better manage risk, improve regulatory relationships and build social license to operate. People want to work for companies that care.

The HR department has a central role to play in helping an organization achieve CSR objectives. If employees are not engaged in implementing CSR commitments, the prospects for the firm advancing on this front are dim. Indeed, one of the top three benefits of investing in, or pursuing, socially and environmentally responsible practices is higher or sustained employee engagement, according to Hewitt's 2010 *Best Employers in Canada* study.

As the steward of employee engagement, HR influences many of the key systems and business processes underpinning effective CSR delivery. As the VANOC case demonstrates, HR can influence CSR behaviour and performance throughout an organization using basic orientation, reward and recognition processes.

Successful CSR requires employee buy-in and participation. Effectively, CSR is a change-management exercise, requiring new ways of doing and thinking to incorporate social and environmental considerations in business.

This requires new competencies and often new talent. These business requirements are the domain of the HR department, making the HR manager an important ally in sustainability progress.

Most organizations and HR departments have advanced along the CSR continuum to some degree. What they lack is a CSR playbook. However, guidelines exist for HR professionals looking for a comprehensive model for supporting their organization's move to a more sustainable future.

Many employers start with easy initiatives and quick wins, usually involving employees in efforts that reduce costs and environmental impacts, such as paper-reduction campaigns or turning out the lights. The big win is to integrate CSR or sustainability into an organization's vision, mission, values and business strategy, as VANOC did.

---

*Coro Strandberg is the principal of Strandberg Consulting, a CSR consultancy that helps organizations integrate social and environmental factors into their governance and strategy. For more information, visit [www.corostrandberg.com](http://www.corostrandberg.com).*