End of Master Project

Attracting talent:

The role of Corporate Social Responsibility

-the special case of Self-Initiated Expatriates-

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Abstract

Nowadays, economic concerns are not the exclusive worries companies have. Contrarily, corporations are requested to care about external stakeholders and try to promote the sustainability of the world in general. Consequently, Corporate Social Responsibility (CSR) is an issue of increasing importance that has to be controlled by managers currently. Moreover, strategically used, CSR can help a company to develop a competitive advantage. For instance, CSR can be a tool to attract talented foreign people. This project shall try to analyze in which ways the CSR program of a company might influence the attraction of a valuable international workforce.

Resumen

Actualmente, los asuntos económicos no son la única preocupación de las sociedades. Al contrario, se espera que las compañías velen por factores externos y que promuevan la sostenibilidad del mundo en general. Por ello, la Responsabilidad Social Corporativa (RSC) es un asunto de creciente importancia que los directivos deben controlar. Usada de manera estratégica, la RSC puede ayudar al desarrollo de una ventaja competitiva. Por ejemplo, la RSC puede ser un instrumento para atraer a profesionales de talento de todo el mundo. Este proyecto intentará analizar las maneras en las que la RSC puede atraer mano de obra internacional muy valiosa.
Index

1. Introduction .......................................................................................................................... 1
2. Corporate Social Responsibility (CSR) ............................................................................. 3
   2.1. What is CSR? ................................................................................................................. 3
   2.2. Justification for CSR ..................................................................................................... 3
   2.3. Who are the different stakeholders? ............................................................................. 7
   2.4. CSR areas ....................................................................................................................... 9
   2.5. Brief reference to Strategic CSR .................................................................................. 10
3. Human Resources Management (HRM) and CSR .......................................................... 15
   3.1. Human Resources Management (HRM) ................................................................. 15
   3.2. Workforce as a Stakeholder ......................................................................................... 16
   3.3. How can a firm attract talented people? ........................................................................ 18
      3.3.1. Positive Reputation ............................................................................................. 19
      3.3.2. Trust in the company .......................................................................................... 22
4. Self-Initiated Expatriates and its relation with CSR ......................................................... 23
   4.1. The concept of Self-Initiated Expatriates (SIEs) ..................................................... 23
   4.2. The role of CSR as a strategic HR tool to attract and retain SIEs ............................... 25
      4.2.1. Attracting SIEs ...................................................................................................... 26
      4.2.2. Retaining SIEs (respecting their independence) ............................................. 29
5. HRM best practices to attract and retain global talent ...................................................... 30
   5.1. Internet: Limitless tool ................................................................................................. 30
      5.1.1. Firm´s official sites ............................................................................................... 30
      5.1.2. Social Networks ................................................................................................... 36
   5.2. Recruitment brochures ................................................................................................. 38
   5.3. Strategic Alliances ....................................................................................................... 43
   5.4. Reporting, certifying, awards and recognitions ....................................................... 46
   5.5. Retaining people: the real performance of claimed practices ................................ 48
6. Conclusion: Best practices and recommendations for its implementation ................. 51
   6.1. Integrating CSR in the management of the company ............................................. 52
   6.2. Communication tools ................................................................................................. 53
   6.3. Strategic partnerships and alliances .......................................................................... 58
   6.4. Reporting, certifications and awards ........................................................................ 59
   6.5. Motivation .................................................................................................................... 60
References ............................................................................................................................... 61
1. Introduction

Nowadays, firms are more and more concerned about the consequences of their actions in the environment and social welfare. Moreover, external organizations, companies and individuals are demanding companies to perform their actions in a responsible manner, that is to say, they want corporations to be socially responsible.

Corporate Social Responsibility (CSR) has been a controversial item since 1991, and its importance grows as years go by. It might be thought, though, that the current economic crisis that is suffering the world since 2008, could have supposed a decrease of CSR importance. Contrarily, recent studies suggest that the mentioned crisis has increased even more companies’ efforts to apply a good CSR program (Economist Intelligence Units, 2008; Mckinsey, 2009, 2010).

Contrarily to what initially might be thought about this topic, acting responsibly should not be an obstacle for still being successful. This report tries to analyze in which ways CSR policies adopted by companies could have benefits for external stakeholders, but also for the company itself. This could be achieved by integrating CSR in the strategic performance of the enterprise. As will be seen in the following sections of this report, CSR areas could be as varied as external stakeholders affected by companies’ actions and, a strategic CSR policy would be the one that benefits both, the firm and the stakeholder to which it is addressed.

Furthermore, this project shall try to illustrate how CSR could be strategically used in order to attract talent. This does not mean that companies only act in a responsible manner in order to get some benefits; there are other reasons, even altruistic and moral ones. Despite that, whether corporations take advantage of CSR benefits to make their business more successful, the concrete CSR policy has more possibilities to persist. In this regard, the good consequences of CSR are obvious for those who are the target of the program. Nonetheless, there are other benefits for companies that are behind their socially responsible performance: the good reputation created
by CSR. The image that a company gives when helping others is essential nowadays to attract skilled people that want their job to suppose a difference, and join a company that share their interests. Self-Initiates Expatriates (SIEs), and concretely those who are well-prepared people interested in developing an international career without being limited by national barriers, could mostly be included in that group.

Currently, organizations keep in the fight of meeting the growing demand for a global presence and, as a consequence, the need of expatriate workforce has increased. In this context, it might be of interest identifying the connection between CSR and Human Resources Management (HRM), and, likewise, the implication of the appliance of a CSR program within a company in the attraction of prospective international applicants.

In order to do so, this end of master project is divided in five (5) sections, apart from this Introduction that is section one (1): section two (2) shall give a general vision of CSR, analyzing the concept, its main justifications, areas, etc., ending with an approach to strategic CSR. By means of section three (3), the concept of HRM is briefly remembered, and its relation with CSR in order to attract and retain talented people is explained. After that, the forth (4) section introduces the concept of SIE and its interrelation with the former concepts, CSR and HRM, that is to say, how CSR can be used as a HRM tool to attract SIEs. Afterwards, section five (5) is dedicated to state some good practices undertaken by big international companies to attract global talent using its CSR program. Finally, section six (6), as a conclusion, provides the lector with best practices in this field, and some recommendations for its correct implementation.
2. Corporate Social Responsibility (CSR)

2.1. What is CSR?

Several are the definitions for Corporate Social Responsibility. Perhaps, one of the more common definition is the one provided by Davis (1973:312), who defines CSR as “the firm’s considerations of, and response to, issues beyond the narrow economic, technical, and legal requirements of the firm to accomplish social [and environmental] benefits along with the traditional economic gains which the firm seeks”. McGuire’s conception of CSR is simpler but helpful to understand the concept. Regarding CSR he states the following sentence: “The idea of social responsibilities supposes that the corporation has not only economic and legal obligations but also certain responsibilities to society which extend beyond these obligations” (McGuire, 1963:144).

In general, it might be said that CSR are all those actions undertaken by a corporation not only for economic purposes, and that would be beneficial for the company itself, but also for other interested parties (such us employees, community, environment, etc.).

2.2. Justification for CSR

An excellent starting point for understanding the main justifications for CSR is the Pyramid of Corporate Social Responsibility used by Archie Carroll (Carroll, A.B., 1991). This academic was one of the pioneers in identifying firm’s responsibilities, different from the economic ones. In Figure 1 below, the mentioned pyramid can be seen, and it shows clearly the main reasons used by a company to justify CSR, being closer to the top those that do have less importance for entrepreneurs.
According to this pyramid, the responsibilities of an organization are not limited just to the economic ambit, although as we can see, economic responsibilities are considered the more important ones for companies. Contrarily, there are other responsibilities, such as legal, ethical or philanthropic that, despite not being strictly economical, are also related to the firm.

It is not surprising to find economic responsibilities in the base of the pyramid, since it is obvious that the main objective of an enterprise is being profitable. Neither it is finding legal responsibilities in the second place; a company shall accomplish legal requirements established by the correspondent government. However, it is important to notice that companies’ ethical and philanthropic concerns are not a new issue, since Archie B. Carroll mentioned them as relevant responsibilities in 1991.

The survey “The 2005 State of Corporate Citizenship”, made by the Center of Corporate Citizenship of the Boston College Carroll School of Management (Bcccc, 2005), gives a more updated list of the motivations of corporations when adopting a CSR program. By means of the answers provided by U.S. companies belonging to diverse
industry and geographical sectors, it concluded that motivations are very varied, being some the predominant factors the following ones:

- Reputation and image (56%).
- Business Strategy (44%).
- Employee recruitment and retention (30%).
- Consumers (36%).
- Community expectations (24%).
- Political pressure (14%).

Therefore, and taking into account the above-mentioned studies, initially, the reasons that come to our mind when trying to justify a socially responsible action are:

(i) **Legal requirements:** Firms need to fulfil the requirements established by regulations, from their government, or any other authority with power that overcomes the national borders.

Nevertheless, this argument, although important, is not the key of a CSR policy. Legal requirements have to be respected by every company; thus, it would never suppose a difference. A good CSR policy (that can suppose a real difference and become even a competitive advantage) is that one that anticipates future social concerns and tries to satisfy them, that is to say, implement an action good for the society before any regulation oblige them to. Likewise, by means of this anticipation, they get adapted to future regulations regarding those issues and thus, avoid future punishments.

(ii) **Moral arguments:** Companies, while doing businesses, must try to be respectful with the society in which they are located, since this is what is ethically expected from them. Moreover, there are corporations that try to help the society just because they feel they have to, since they consider they have to be good citizens.
The moral argument can also be seen from a rewarding perspective. Companies obtain profits thanks, among other factors, to the society in which they interact (consumers buy their product or services, employees work for them, etc.); therefore, undertaking good actions for that society is a moral duty in order to reward it.

(iii) **Reputation and image**: Companies undertake actions to benefit the community because they create a good image for the company and, by means of those actions, they are appreciated by several members of the society, such as non-governmental organizations (NGOs) or, at least, they avoid being criticized by them.

Within this reason, we can include possible contracting benefits, which derived from the reputation created by the company with its CSR endeavours. Some firms consider CSR to be an interesting recruitment tool, which attracts and retains talented people, who are motivated with the idea of working in a company that cares about the environment and the society in general.

Likewise, some corporations think that the good reputation might also help them to attract a specific sort of customers that are concerned about what they buy and therefore, are interested in CSR actions.

Nevertheless, the above-mentioned justifications are all focused on the facts that, if something is good for the company is not good for society, and that companies take CSR programs as a necessary cost they need to deal with. However, this is not always true, sometimes an action can be advantageous for a firm and so can be for the community in which the company is situated, for the environment, its employees, etc. In this case, a given corporation would be keener to adopt it. If companies would focus on identifying activities, by means of which they could reach both goals, those
CSR policies would be easier to keep. As long as firms still consider CSR as another cost of the company, they would be losing opportunities.

Nowadays, reasons to justify CSR are going beyond and not just centred in actions that benefit society and that suppose a cost for the company. Reasons such as sustainability are arising as important justifications for CSR. Reasons that are not just related to the welfare of the society, but also of the company itself, that is to say, justifications that are important for both of them and that lead to a more strategic CSR.

Sustainability refers to the fact that organizations must behave in a way that does not compromise the future of the environment and community around them. This reason is one of the easier to understand, bearing in mind that it is about keeping the future safe not just for the community, but also for the company itself. What this principle tries to explain is that companies must perform their actions trying to obtain current benefits, but also trying to avoid future prejudices.

2.3. Who are the different stakeholders?

A good definition of a firm’s stakeholders is the one provided by E. Edward Freeman, which defines them as “any group or individual who can affect or is affected by the achievement of the organization’s objectives” (Freeman, E.E., 1984:46). Inside this definition we can include employees, consumers, environment, competitors, community, etc.

In order to define a CSR policy, a corporation shall be aware of the different stakeholders that influence it, or are influenced by it. Using the same model than William B. Werther Jr. and David Chandler (Werther, W.B. Jr., Chandler D., 2011: 35), we can classify the stakeholders in three different groups, than can be seen in the following illustration:
This model, by means of concentric circles, locates the different stakeholders depending on their closeness to the core business of the company. According to the figure, those stakeholders that are located in the smallest circle - *Organizational Stakeholders* - are the ones that are more related to the company, since are the components of it, and without them the company cannot work. Following them, we could find the *Economic Stakeholders* that, although they do not form directly part of the company, their influence in its functioning is very relevant. Lastly, in the wider circle - *Societal Stakeholders* - are included those individuals that, despite not influencing the business directly, are also affected in some way by it.

Around the circles, we find technology and globalization, that is, the revolution in technology has developed the global communication and therefore, nowadays, stakeholders have the opportunity to mobilize themselves worldwide in order to
demand their objectives and, at the same time, these globalization and innovation give also corporations the possibility to perform their activities beyond their national boundaries.

Apparently, what we conclude analyzing this model is that those stakeholders that are located in the centre circle, are the ones more important for the company, therefore they could be supposed to be those more related to the core business too. Nevertheless, as we will see later, depending on the field of the company, the importance of the stakeholders shall differ. Anyhow, this image is a good example to illustrate the different stakeholders that are related to the company.

Identifying the different stakeholders is essential since, once done, it derives to the different possibilities in CSR policies, depending on to which stakeholders the company is going to address its CSR performance.

2.4. CSR areas

Although some authors have identified the main CSR’s areas, it cannot be said that the areas in which CSR can be applied are a closed list. Instead, the ways by means of which corporations implement their CSR program have no limits, as long as they try to achieve the primary objective of the CSR, that is, accomplishing social and environmental benefits apart from the economic ones. In spite of that, those areas seem to be divided into three sectors: economic, social and environmental.

In order to provide a classification, we shall continue with the model used by William B. Werther Jr. and David Chandler in their book ‘Strategic Corporate Responsibility-Stakeholders in a global environment’ (Werther, W.B. Jr., Chandler D., 2011). According to that model, we can divide the possible CSR actions into three groups, depending on which group of stakeholders they are going to be focused on. These three groups are the following:
- **Organizational Stakeholders**: That is to say, the stakeholders that belong to the organization, such as employees, shareholders, etc. Among the CSR practices addressed to these stakeholders, we might find practices like corporate governance, recruitment and employment practices, good working conditions, social entrepreneurship, transparency, etc.

- **Economic Stakeholders**: As we have said before, we can include in this group external individuals of the company that directly affect its functioning, such as consumers, creditors and competitors. Among the CSR practices that can be addressed to them we can include, for example, product value and fair trade.

- **Societal Stakeholders**: Those that form the environment that surround the company (government agencies, communities, environment, etc.). In order to give benefits to these stakeholders, practices like environmental protection, community involvement, ethics, etc., shall be adopted.

### 2.5. Brief reference to Strategic CSR

In order to understand this concept, it is very important to accept the fact that companies and society are not independent from each other. The society needs enterprises to generate wealth for the economy, and companies need society since it provides them with some key elements, such as the workforce, raw materials, energy and even the government regulations, that protect firms from abusive behaviours from other companies or physical people.

Bearing in mind the principle that companies and society need each other, the more intelligent step to be followed by firms is trying to identify actions that are good for both sides. Although ethical and moral justifications are important, the truth is that the final purpose of a company in order to survive is obtaining benefits. Therefore, if a strategy that is good for a corporation is also good for other stakeholders, then that
strategy has more possibilities to survive than another one that only suppose a cost for the company.

Companies use to think in CSR in terms of costs that need to be dealt with, in order to accomplish several objectives, such as having a good image for customers or respecting regulations. Nevertheless, it would be more useful to analyze the possible CSR policies as any other strategic aspect of the company, that is to say, trying to maximize the benefits obtained from the CSR of the company. If companies use this point of view to adapt a CSR policy, that would be beneficial not just for the company itself but for the society in which it is located.

It cannot be said that trying to be a good citizen is bad, what this section tries to explain is that the best CSR initiative would be that one that is at the same time responsive and strategic. The ideal scenario in terms of strategic CSR is reaching a CSR policy that provides the company with a competitive advantage above their competitors, and at the same time is beneficial for the community. The simpler example to understand this approach to CSR is for example, those companies that undertake environmental respectful actions that, while they are good for the environment, also help them to reduce costs. That is the case for example of WalMart and its initiative to reduce packaging on toys: this company wants to reduce its packaging by 5% before 2013, and this would suppose savings of 660,000 tonnes of carbon dioxide and economic savings of US$ 3.4 billion per year (Pure advantage, 2012).

However, before going beyond in the field of strategic CSR, it is important to understand the concept of strategy within the field of corporations. Companies’ strategies are those actions undertaken by them in order to achieve their mission and vision. Michael E. Porter and Mark R. Kramer (Porter, M.E., Kramer, M.R., 2006) suggest that, in order to put strategic CSR into practice, the following patterns could be followed:
1) Identifying the points of intersection with the different stakeholders: We have seen before the different stakeholders of a company. Nevertheless, it is impossible for a unique company trying to satisfy all of them. Therefore, the best alternative is choosing those stakeholders that have more interest in common with the company, that is to say, those who are more interdependent with the corporation.

According to the mentioned article (Porter, M.E., Kramer, M.R., 2006), there are two forms of interdependence: (i) inside-out linkages, that is to say, that every activity of a company has consequences for the community and environment that surrounds it, and (ii) outside-in linkages, external factors (what is called “competitive context”) also influence corporations, in fact, those factors are taken into account when selecting a proper location for a company. Strategic CSR happens when a given action of a company has a direct effect on the society and the other way around.

Bearing that in mind, it is very important to find those things that are important for both, companies and stakeholders. For example, if a company needs to be supplied by people around them and wants the raw material to have a certain quality, it could be useful to teach the producers of that raw material how to get the maximum quality. This way, the consequences will be advantageous for both of them.

In order to do that, before undertaking a strategic CSR, a firm must identify its stakeholders, the objectives that each of the stakeholders has and compare them to its mission and vision.

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1 Competitive context can be divided into four broad areas (Porter, M.E., Kramer, M.R., 2006): (i) the quantity and quality of available business inputs-human resources, (ii) the rules and incentives that govern competition- such as policies that protect intellectual property, ensure transparency, safeguard against corruption and encourage investment; (iii) the size and sophistication of local demand, influenced by such things as standards for product quality and safety, consumer rights, and fairness in governments purchasing; (iv) the local availability of supporting industries, such as service providers and machinery producers.
2) **Choosing the appropriate stakeholder:** This is a consequence of the previous one. A company that tries to satisfy all its stakeholders is destined for failure, since, in many occasions, the interests of the different stakeholders of a company are contrary. Therefore, after studying the different stakeholders through step one (1), a company must select those stakeholders which share more interests with it.

Consequently, we have to give priorities to some stakeholders in detriment of others, depending on the intersection existing between them and the company. These priorities should be set, therefore, attending the core business of the company. That is to say, a strategic point of view in CSR is trying to determine to which stakeholders the experience of the company might benefit and, at the same time, in the future, might also be beneficial for the core business of the company.

3) **CSR Planning:** Stabling CSR from a strategic point of view implies designing a planning in order to implement it. As any other planning made by the company, it should include objectives, strategies to reach the goals, a prevision of the needed sources (financial, human, etc.). Besides, like any other strategic aspect of the company, CSR initiative shall be clear and specific and, its consequences shall be able to be measured and quantified, in order to know if the initiative is fulfilling its function. In other words, a CSR policy undertaken by a company must be effective.

**Timing:** It is doubtless that timing is essential for a strategy to be considered serious; therefore, a CSR strategy must have short and long term goals. Nevertheless, the long-term objective of CSR policy uses to be more like a vision statement, such as, `Getting the company to be one of the most appreciated by its CSR company` and consequently, is difficult to achieve. Therefore, this generic objective shall be translated into more specific, short-term goals.
In order to get the short-term goals, it would be useful to make a ranked list of possible actions that fulfil the mentioned requirements and evaluate the results. As any other agenda, the CSR one must have deadlines for the different objectives.

In this sense, however, it is important to take into account that, commonly, CSR strategies shall be planed in a medium to long term. Implementing a CSR policy is not a matter of a short period of time. Instead, it is a continuous task of complementation and adaptation to the times. Therefore, time objectives shall be reasonable and, as soon as an objective in this regard has been reached, another one must be settled.

**Measurement:** In spite of what have just been said, there are some benefits derived from CSR that are very difficult to measure, such as recruiting benefits. Nevertheless, there are several techniques that can be used in order to give an estimated result of the CSR initiative in this sense, such as the number of applicants, yield rates (i.e. the employees are the appropriate), internal promotion of the employees and so forth.

Moreover, the accomplishment of the goals could be rewarded by some sort of bonus, in order to highlight that these objectives are as important as any other aspects of the company that are also rewarded.
3. Human Resources Management (HRM) and CSR

In this section, we are going to study the relationship between CSR and HRM. By means of it, the purpose is not just identifying those policies that are made in order to benefit employees. Instead, the objective of this part of the project is to check out whether a social responsible company has more advantages when finding talented people. That is to say, the consequences of adopting CSR programs in the field of human resources, but not just the ones that have employees as beneficiaries, but also those related to other stakeholders.

A CSR policy addressed to employees, or the CSR program of a company in general, if it is used to attract and retain talented workers, could be strategic, since both parties get benefits from it: employees enjoy good working conditions or the satisfaction of working in a company that cares about the society and the environment, while corporations count with a workforce full of potential that, if they know how to manage, could become a competitive advantage.

3.1. Human Resources Management (HRM)

As happens with CSR, there is not a unique definition. Sims for instance defines HRM as “the philosophy, policies, procedures and practices related to the management of an organization’s employees” (Sims R.R., 2002:2). Therefore, HRM includes all the activities made by a company in order to attract, maintain and motivate its workforce since employees are an essential factor of a company.

Nowadays, HRM is considered by a lot of companies as a tool they should know how to use in a strategic manner. In today’s global world, where technology makes companies go beyond their national boundaries, having talented people with international skills, who can make the corporation go further their competitors, is a key factor and can even become a competitive advantage. Nevertheless, in spite of the importance of the personnel for an organization, the attention given to this
stakeholder has been little if we compare it with others such as consumers or environment issues.

However, this importance is growing and it is more and more common to find studies (Delery, J. & Doty, H., 1996; Laursen K. & Foss N.J., 2003; Goll I., Johnson N.B., & Rasheed A.A., 2007; Kramar R. & Hariadi M.F., 2010), which consider that HRM could help to the development of unique characteristics within a corporation and, therefore, could suppose a sustainable competitive advantage. Consequently, HRM within a company could also be considered as a strategy and, as such, the possibility to develop a competitive advantage by HRM has been studied in several occasions (Boxall P. & Purcell J., 2003; Pfeffer J., 1995; Kramar R. & Hariadi M.F., 2010).

As we will study in detail, HRM and CSR policies are interrelated. CSR could be a strategic tool to attract and retain people with talent.

3.2. Workforce as a Stakeholder

As we have already said, sustainability is one of the main reasons to adopt CSR policies. Companies must try to behave in a way that, despite getting the maximum profits, do not compromise the future of the company, but also of the community and environment around it. Although sustainability used to be related to physical resources, such as the environment, we must not forget that the sustainability of other factors such as human resources is also important.

Nowadays, that globalization and technologies make companies to operate within a huge market where innovation and constant improvement are essential; counting with good and talented people is a key factor. Therefore, companies should try to make sure that, in the future, new generations as talented as the former ones or more, would be able to replace them.
But, not only attracting qualified people is essential currently, also as important is being able to keep them. An employee is affected by every single detail of the company (layoffs, stress as a consequence of long hours of work, inequality in the work place, provision of health insurance, etc.). Bearing that in mind, it is surprising that there is still more interest in environmental issues that in those concerning employees. Therefore, firms must use those factors in order to make the work place attractive to people, that is to say, if you want to retain your employees, you must try to make their work comfortable and attractive. As Jeffrey Pfeffer suggests in his article `Building Sustainable Organizations: The Human Factor´(Pfeffer, J., 2010), it might be expected that companies with better records of human sustainability, could enjoy benefits in attracting and retaining employees, and also in building a reputation that could attract additional consumer demand.

The importance of workforce is such, that although it is still not as expanded as it should be, many big companies, as the ones that we will study in section 5 of this project, promoted CSR policies in order to attract qualified employees. In fact, the ability of a corporation to attract and retain good people might become a competitive advantage since, in some ways, guarantees the future success of the company. However, in order to transform the ability to attract and keep talented people into a competitive advantage, the firm must also be able to use that talent to get an advantage over competitors difficult to imitate.

Finally, I consider important to highlight that, in the current economical context, it might be thought that, due to the high level of unemployment, attracting people is not a problem nowadays for companies. Nevertheless, we must note that we are not talking about unqualified people. Instead, we are talking about qualified and talented people that have several possibilities, even in this situation, since these employees are the ones that can suppose a difference.
3.3. How can a firm attract talented people?

We have already seen the importance of workforce. Therefore, a company that has the possibility to choose among more people, has also more opportunities to join talented people to its team and, consequently, if it knows how to manage that talent, has also more possibilities to develop a competitive advantage.

There are several ways by means of which a company can attract a qualified workforce. For the purposes of our study we can divide them into two groups:

- **CSR policies addressed to employees**: Those performances that are directly related to employees, such as good work conditions, welfare and safety, equality and diversity within the work place.

- **CSR program in general**: In this group, we include all the policies undertaken by the company and that have provided it with good reputation. As we will see in the following paragraphs, prepared applicants, with high level of studies, use to be concerned about the welfare of the society, the environment, and so forth. Consequently, those potential employees feel more attracted to companies with a strong CSR program.

Several studies have been developed in order to evaluate the effect of HRM and CSR on the functioning of corporations, such as `International transfer of employee-oriented CSR practices by multinational SMEs` by Dirk Johan de Jong (De Jong, D.J., 2008); `Human Resources Management, Performance and Organisational sustainability: a new paradigm`, by Professor Robin Kramar and Melia Famiola Hariadi (Kramar R. & Hariadi M.F., 2010); or `Value Priorities as Combining Core Factors Between CSR and Reputation-A qualitative Study`, by Marjo Elisa Siltajoja (Siltajoja, M.E., 2006), to highlight some. According to them, socially responsible companies are better perceived by potential employees than others that are not, that is to say, the good
reputation created by a company with a strong CSR policy affects the attraction that talented people might have for that company.

If we take a deep look to some of those studies, we will see that there are two important issues to take into account when trying to attract and handle high-qualified personnel: reputation and trust.

3.3.1. Positive Reputation

Positive reputation is a key element when attracting prospective employees. As a matter of fact, reputation is considered one of the most important competitive advantages, that a company could develop (Deephouse, D. L., 2000; Fombrun, C., 1996, 1998; Siltaoja, M.E., 2006).

CSR is considered as an issue that influences reputation by many authors (e.g. Brammer, S. and S. Pavelin, 2004; Carroll A.B., 1979; Logsdon J.M. & D.J. Wood, 2002; Mahon J., 2002, Mahon J. & S. Wartick, 2003; Wood D.J., 1991). Having a good CSR program creates a good reputation for a company but, it is not enough to develop and apply it, if we want it to form part of our reputation, it must be noticeable. It is necessary to build a reputation for that strategy in order to collect the benefits arising from it (Russo M.V. & Fouts P.A., 1997). The mentioned studies, by means of questionnaires made to a sample of representative people, have given support to the above-stated hypothesis. The results obtained gave evidence that companies with a good CSR program seem more attractive to potential employees than those that do not have any CSR program at all. High-qualified employees have a wide range of possibilities in front of them and, as a consequence, it is unavoidable to leave themselves being influenced by what they know about the company they are considering to join. Likewise, the more attractive a corporation is, the more applicants it would have and, therefore, the more possibilities it would encounter to choose the appropriate employee.
To sum up, it could be said that certain type of people feel attracted by companies that has a good CSR company but, if we want prospective applicants feel identified with our CSR program; we must let them know its existence. There are two theories that go deeper with this conclusion: the Social Identity theory and the Signalling theory.

**Social Identity theory:** This theory, initially developed by Tajtel and Turner in 1979, suggests that different social contexts may influence an individual’s way of thinking, feeling and acting, that is, his or her `personal identity`. Besides, an individual has several social identities. Social identity is the individual’s self-concept derived from perceived membership of social groups (Tajfel H. & Turner J.C., 1979).

The relation of this theory with the context of companies has been made by several authors, being of interest the article `Social Identity Theory and the Organization` of Ashforth and Mael dated 1989 (Ashforth, B.E. & Mael F., 1989). In this context, the relation of an employee with his or her company creates a social identity, that is to say, the self-image of an individual is influenced, to some extent, by the reputation of the company in which he or she works.

Therefore, according to this theory and bearing in mind that, as have already been said, prospective applicants feel more attracted to companies with a CSR program, the connection between reputation and this theory is obvious: those applicants will try to join those companies, because they consider that they would have a positive self-concept working there.

This theory leads us to an evident question: Which employees would feel attracted for a socially responsible company? Pablo Rodrigo and Daniel Arenas (Rodrigo, P. & Arenas D., 2008) differentiate three different types of employees depending on their implication within the CSR program of a company. These three categories are committed employees, indifferent employee and dissident employee. The characteristics of a committed employee, who is the one that is more concerned about
a company’s CSR program and, consequently, would be the type of employee more attracted by it, are the following:

- Concerned about social welfare and social justices (due to his or her studies or personal experiences).
- Positive perception of the new social role of the organization, which cause identification with the company.
- They perceive importance in their task, which cause work above their objectives.
- They can be found at all levels of the organization, although they used be in top positions.
- Their average age goes from 40 to 65.
- They have familiar obligations.
- They use to have superior education (graduate professionals) or, at least technical training.

The mentioned characteristics use to fit with talented people, who try to be involved in their profession, and precisely these types of people are the ones that could suppose a difference and lead to the development of a sustainable competitive advantage for a company.

Signalling theory: The relation of this theory with the corporations is that applicants, before entering into a new firm, do not have complete information about that firm. Therefore, the image they have about it is a consequence of the idea they have formed because of signals they receive about its working conditions (Greening D. & Turban D.B., 2000). As a consequence, if there are certain conditions, as we have already said, that attract employees, such as having a CSR program, this is something that has to be highlighted in some way, like for example in the web site of the corporation. It is worthless for attracting people to have an excellent CSR program within a company, if this information is not perceived by potential employees that might feel attracted by the reputation of the company.
3.3.2. Trust in the company

Another important issue is trust in the firm, but this one is more relevant when retaining the talent already attracted. New employees do not know whether the company they are about to apply is trustful, therefore, they follow their reputation. Nevertheless, the situation changes when the employee is inside, since he or she is able to check, first hand, if the positive reputation is deserved.

That is a very important aspect since we are talking about employees that, due to their talent, have several professional possibilities and might not have any interest in being stuck in a company which values they do not share.

In one of the studies already mentioned (De Jong, D.J., 2008), the importance of trust is highlighted. Employees must be satisfied with what they have found in the company and be motivated. With that objective in mind, it is very important to make employees participate and be involved in the organization or even in the CSR programs undertaken by the company.

If a company gets its employees to rely on the company, what they would obtain is exactly the same, trust, that is, confidence in its employees. Those employees that feel motivated in a corporation are more willing to serve the firm, even beyond their functions, since they have made the goals of the company, their own goals.
4. Self-Initiated Expatriates and its relation with CSR

4.1. The concept of Self-Initiated Expatriates (SIEs)

One possible definition of SIEs is that one that defines them as individuals who relocate voluntarily to a foreign country on their own initiative, i.e. independently of any employer and without organizational assistance, and are hired under a local, host-country contract (Crowley-Henry M., 2007; Inkson et al., 1997), later on Suutari and Brewster (Suutari V. & Brewster C., 2000) expanded the group of self-initiated foreign expatriates by more experienced people who deliberately chose an international career.

Normally, SIEs are defined in comparison with Assigned Expatriates (AEs), who are those employees that are sent abroad by the corporation they work for. As we can deduce from both concepts, the main difference that exist between SIEs and AEs is the reason that moves them to leave their home countries. AEs are sent to a foreign country by their companies and, therefore, they count with their companies support to install themselves there. Besides, the contract that links them with the company usually is still regulated by the norms of their country of origin. Nevertheless, the decision to move away in the case of the SIEs in not taken by any company; instead it is decided by the individual him or herself that, for several reasons, ventures to work in another country (Al-Meer A., 1989; Begley et al., 2008; Inkson et al., 1997; Shahid et al., 2001). Once working in a company located in a foreign country, SIEs are like any other employee of that corporation (not having a special support for being foreigners).

SIEs could be considered as an alternative to the traditional model, representing a career in a global context (Myers and Pringle, 2005; Scullion et al, 2007; Thomas et al, 2005). SIEs´ experience might be considered as a ‘boundaryless career’, they are responsible for their own careers without caring about the permanence in any
concrete company or any concrete country (Feldman and Ng, 2007; Hudson and Inkson, 2006).

The motives for which these SIEs choose to leave their country are varied. Nevertheless, the reasons that lead them to leave their country are only important to this study in the extent to which they are related to the sort of professionals that could be defined as SIEs, and concretely as those concrete type of SIEs who take advantage of the employment opportunities available in a global economy (Tharenou P., 2008). Indeed, what is really important for the content of this report, is determining the characteristics of the profile of this type of expatriates.

With the purpose of elaborating a general profile of SIEs that look for external opportunities in developing a professional career, we can take advantage of the studies made by Torsten Biemann and Maike Andresen (Biemann T. & Andresen, M. 2010), and another one made by Kaye Thorn (Kaye Thorn, 2009). According to their researches, SIEs can be defined by the following characteristics:

- SIEs normally start their international career at a young age. However, they are a particular kind of people that want to develop their career without any limits and these characteristics remains along time. Therefore, age is varied.
- Although many of SIEs have partners, on a general basis, familiar barriers use to be low or inexistent (maybe because their partners are SIEs too, or travel with them, etc.)
- SIEs are self-confident people that trust on their skills in order to get adapted to the new laboral and personal situation.
- SIEs use to be prepared people, with high level of studies and knowledge in languages.
- SIEs use to have previous foreign experience, what makes the adjustment easier for them.
- SIEs are normally very independent people. They have left their countries in order to develop their career and, therefore, the motives that lead them are personal and not linked to a particular corporation.
- Consequence of the previous one is that their sense attachment to any company is low.
- Since they have made a personal effort leaving their home and moving to another country by themselves, SIEs have high expectations about working abroad. Therefore, as they have several laboral opportunities, they would expect an interesting job with which they feel identified and that offer them promotional opportunities as well.

4.2. The role of CSR as a strategic HR tool to attract and retain SIEs

As we have seen, HR managers of firms nowadays, when selecting personnel, are focused on the search of talent. That, as mentioned before, is a consequence of the globalization. Nowadays, a lot of companies do not compete locally anymore, they compete globally, and the sector of Human Resources is not an exception. The aim of companies is to attract talent, no matter where it comes from, and retain that talent. When national barriers are not professional barriers anymore, companies have the possibility to look for the perfect person, not paying attention to the nationality.

Besides, for those global companies, it is very important to have international staff since competition is now international, and having employees from different countries can be a competitive advantage for that company.

As explained before, HRM is essential in order to attract and motivate employees. Therefore, a strategic HRM might be able to get adapted to the characteristics of every type of employee, being aware that each group needs a specific treatment. Different groups of employees (local, AEs or SIEs) need specific requirements regarding leadership, and international companies needs to know them all in order
to make strategic decisions within the field of HRM (Biemann T. & Andresen, M., 2010). For instance, bearing in mind the specific characteristics of SIEs, i.e., they leave their country and they are trying to get adapted to the whole new situation; it would be useful trying to make the adaptation easier for them. There are some factors of the adaptation that do not depend on the corporation, but there are others that can be influenced by it and, what a firm should try to do is making this adaptation easier, such as defining clearly their position within the company, training, intercultural formation and support.

Nowadays, CSR is a very important issue, and a good human resources strategy that integrates SIEs can be very relevant for the image of a company. As any other strategic tool used by the HRM Department of a company, CSR can be a way to attract talent. Consequently, what we have already seen in previous sections about managing employees and taking advantage of CSR policies to attract talented people, might be applied to SIEs. We also have already studied, SIEs are characterized for being talented people looking for good opportunities and that, in their seek, try to look for companies which they feel identified with. Nevertheless, SIEs has special characteristics that should be taken into consideration by a HR Manager.

4.2.1. Attracting SIEs

We have mentioned the profile of the usual employee committed with the CSR policies of a company and we have also determined the characteristics that define a SIE.

In Figure 3 below we have made a comparison between the basic personal characteristics of both, CSR committed employees and SIEs, in order to determine the coincidences existing between them and, through them, identify to which extent what has been said about attracting talented people, could be applied to attracting
SIEs. But more important than the coincidences are the differences existing between them, so that the HRM department of company can get adapted to them.

<table>
<thead>
<tr>
<th></th>
<th>COMMITTEE EMPLOYEE</th>
<th>SIE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>AGE</strong></td>
<td>From 40 to 65</td>
<td>Heterogeneous</td>
</tr>
<tr>
<td><strong>MARITAL STATUS</strong></td>
<td>Usually married/partnered</td>
<td>Heterogeneous (but most married/partnered)</td>
</tr>
<tr>
<td><strong>FAMILIAR OBLIGATIONS</strong></td>
<td>Yes</td>
<td>No</td>
</tr>
<tr>
<td><strong>LEVEL OF EDUCATION</strong></td>
<td>They use to have superior education (graduate professionals) or, at least technical training.</td>
<td>Superior education</td>
</tr>
</tbody>
</table>

Figure 3. Comparison between `Committed employees` (Rodrigo, P. & Arenas D., 2008) and SIEs.

As we can see, there are not great differences regarding age or marital status and, maybe, the most important coincidence is the level of education. We already studied that the essential characteristic of committee employees is that, due to their level of studies and experiences, are concerned about social welfare and social justices. The more education a person has, the more concerned he or she is about what surrounds him or her. Consequently, we can take advantage of the identification they might feel with the values of the firm. The main conclusion that arises from Figure 3 above is that SIEs might be potential committed employees with CSR policies and CSR could, in some way, be a strategy to attract talent.
When looking for a job, depending on the particular individual, the objectives might fluctuate. However, what we know so far is that SIEs´main preoccupation is their own career and, in their development, they seek for opportunities. As we have just seen, due to the coincidences in the profile, it could be supposed that SIEs are mostly people concerned about social welfare, environment and other factors. With that supposition in mind, when SIEs look for a professional opportunity, they want to do something that supposes a difference and that fits with their personal interests. Therefore, according to the Social Identity Theory, already studied, SIEs would feel more attracted to companies with a CSR program, because they consider that they would have a positive self-concept working there.

On the other hand, in the event of SIEs that do not care about the social responsibility of the company they are about to work for, but just for their importance and the degree to which is going to help them to develop their career, CSR keeps on being important but, in this case, for the reputation. As studied, CSR has increased in importance so much that there are a lot of rankings where companies are rated depending on their CSR performance (Fortune´s 100 best companies to work for, Fortune´s 50 best companies for minorities, etc.). These indexes have become a reference when determining important companies, since the success of a corporation depends mostly on what others perceived, and consequently, those companies might be of interest for SIEs.

However, in this subsection we have seen SIEs perception of CSR policies on a general basis (the general CSR program of a company). There are other ways to attract SIEs by offering them a good CSR program but addressed to employees, and which could include, a specific section for diversity, integration or directly for SIEs. All these programs should be notorious and easily found, in order to accomplish with singling theory.
4.2.2. Retaining SIEs (respecting their independence)

In Figure 3 above, despite the coincidences between the two profiles, we can find a huge difference though: the familiar obligations or, in other words, the independence. We have seen that SIEs are very independent people that want to guide their lives in order to reach their professional development, which implies not commitment to any company but only to his or her career. This is a great inconvenient in order to retain these talented people.

As said for employees in general, when trying to retain them, trust is very important, above all for those who selected a certain companies for its reputation or for its concrete CSR policies regarding employees, for instance. For the sake of briefness, I will not repeat what was stated in subsection 3.3.2 about trust, but the conclusions reached could be extrapolated.

Trust and mutual confidence might not be enough in this case, though. SIEs are characterized by being very international people, that wants to develop a boundaryless career, and this generally includes high mobility. Consequently, if a corporation wants to retain their SIEs, they need to offer them a job that fulfils their expectations and that vary and increase responsibility as time goes by. A company should be able to offer interesting development opportunities within the organisation (Jokinen et al., 2008).

As a final conclusion for this section, it could be stated that the CSR policies that might be used in order to attract and retain SIEs, are those that promote diversity, flexibility, mobility, promotion possibilities and motivation, offering them the chance of developing the career they want within the same company.
5. HRM best practices to attract and retain global talent

5.1. Internet: Limitless tool

In today’s global world, trade is international, and if a firm wants to be competitive, must know how to take advantage of this tool. HR field is not an exception and, when attracting talent, is essential.

SIEs, when looking for a job, bearing in mind that frequently must do it from the distance, try to obtain information of their potential employers from internet and, therefore, it is important to control what they would find.

In this subsection we will find some examples of how companies try to give publicity to those practices that can be found interesting by external stakeholders and, concretely, by job applicants.

5.1.1. Firm’s official sites

The web-page of a company, for instance, is its shop window, the way to show others what happens inside. Following the singling theory and, in order to attract prospective employees, a firm should try to present them what they might feel interested for.

Many firms, even small ones, make use of this tool. A good example of using its web site as an excellent instrument to show what is appreciated by stakeholders is International Business Machines (IBM), the American multinational technology and consulting firm, and concretely the example used is extracted from IBM US´s site, www.ibm.com.
IBM tries to demonstrate that they care, not only about the corporation itself, but also about clients and the ‘world’, even in the statement of the basic principles that rule the firm, that is to say, its values. In the web page (http://www-03.ibm.com/employment/our_values.html), where values of the company are stated we can literally read:

“IBMers value:

- Dedication to every client’s success.
- Innovation that matters, for our company and for the world.
- Trust and personal responsibility in all relationships.

In 2003, IBM undertook the first reexamination of its values in nearly 100 years. Through "Values-Jam," an unprecedented 72-hour discussion on IBM’s global intranet, IBMers came together to define the essence of the company. The result? A set of core values, defined by IBMers for IBMers, that shape the way we lead, the way we decide, and the way we act.

Do IBM’s values ring true for you? If they are the way you show up in the world, then you’ll enjoy the responsibility of being an IBMer.”

By reading these lines we know that IBM wants to be perceived by its worrying, not only about the benefits, but about all stakeholders that might be influenced by the performance of the company. IBM knows that its actions can have consequences for the stakeholders around them and thus, they want to let people know that they want to be responsible in its relationships with them.

Even in the values of the company we have a recruitment sentence, the last one, which tries to attract people by using the Social Identity Theory and the identification of prospective applicants with IBM’s values.
If we keep on exploring the site, we would find the CSR program in the company, which initial screen is the following one:

Figure 4. IBM’s CSR program. Screenshot of the web site http://www.ibm.com/ibm/responsibility/?lnk=fai-cres.
If we take a deeper look to the initial statement of this section, we will see that it summarises the CSR policies by stating clearly that, in spite of having as a goal maximizing the benefits, they do not forget their employees and their communities.

“IBM believes that a company culture based on core values not only helps our business, but also defines the role that we can and should play in society.

- We identify and act upon new opportunities to apply our technology and expertise to societal problems.

- We scale our existing programs and initiatives to achieve maximum benefit.

- We empower our employees and others to serve their communities.

- We integrate corporate citizenship and social responsibility into every aspect of our company”.

Below it, we can find in detail the CSR program of the company, with links that lead to a specific explanation of each of the areas. As we can see, in IBM the CSR performance of the company is accessible and visible. Prospective workers that are interested in socially responsible corporation may find all the information they need to know in this regard.

Likewise, applicants could also see that there is a specific section for employees and, for the case of SIEs, there is a special policy promoting diversity. Moreover, apart from seeing in its web, that IBM has a strong CSR policy, possible future employees shall also find a section dedicated to them as we can see in the following screenshot (http://www-03.ibm.com/employment/us/index.shtml):
In the previous screenshot we can appreciate all the features we have already studied in order to attract talent and assuming that talent could come from all over the world:
• **Be an innovator:** Which indicates freedom when working, capacity to develop yourself, not having limits for this innovation.

• **Work in the company of experts:** That also indicates the possibility of professional development.

• **Build the career you want:** Here the company includes motivation for prospective employees to join IBM, but also promises them freedom, independence (that, as already stated, is a very important characteristic of SIEs).

• **Work for a company you can be proud of:** Trying to appeal the identification of applicants with the company.

Besides, although it is not seen in the screenshot, below this information we can find a link to the CSR section. Therefore, we can see that although CSR and HR might not be initially interrelated, they are in fact, since CSR is used as a tool to create reputation and to attract talent.

In the screenshot it can be seen again, the existence of a subsection dedicated to Diversity and, if we go there, the first thing we find is a statement from the CEO that literally says ([http://www-03.ibm.com/employment/us/diversity.shtml](http://www-03.ibm.com/employment/us/diversity.shtml)):

"The employees of IBM represent a talented and diverse workforce. Achieving the full potential of this diversity is a business priority that is fundamental to our competitive success.

Business activities such as hiring, training, compensation, promotions, and compensation of employees are conducted without regard to race, colour, religion, gender, gender identity or expression, sexual orientation, national origin, disability, or age."
In respecting and valuing the diversity among our employees, and all those with whom we do business, managers are expected to ensure a working environment that is free of all forms of harassment. This policy is based on sound business judgment and anchored in the IBM values.

5.1.2. Social Networks

Some corporations go further their official web sites, jumping to the universe of Social Networks, such as Facebook, Twitter, LinkedIn, etc., that have million of users and, therefore, it can be an excellent recruitment instrument.

The American firm Microsoft Corporation (Microsoft), company famous for the development and distribution of computing products and services, apart from its official web site, www.microsoft.com and a portal dedicated to jobs applicant http://careers.microsoft.com/, where all the information about the company, its CSR program and its recruitment policy, among others, can be found; has also a blog where people may have, not only the possibility of knowing all the mentioned information but also interact between them, give opinions, formulate questions, etc.

The blog named ‘Jobsblog: Experience Microsoft’ (http://microsoftjobsblog.com/), apart from providing with the link to the official web site where they would find further information, have diverse posts related to the laboral conditions in Microsoft, such as one titled ‘Great place to work: does your company care about what you care about?’, or another one named ‘Inspiration in the technology industry’, to state some of them.
Inspiration in the technology industry

In recent weeks, we asked the audience on our social channels to share what inspires them about a career in the technology industry, and across our Facebook, LinkedIn, and Twitter pages, we received numerous perspectives. The response was so great that we were inspired to create something to showcase everyone’s feedback. Thank you to all who participated.

How does technology inspire you?

We asked you to share your ideas on what inspires you about technology on Facebook.com/MicrosoftCareers, LinkedIn.com/company/Microsoft, and @MicrosoftJobs.

And the responses were nothing short of inspiring.

There is always a new problem to solve

- It’s an industry where you can use cleverness, structure, and systems to create the simplest solution to improve someone’s life.

Unlimited possibilities of a small idea to bring about change in the world

The excitement of what is still to come

- Being on the cutting edge, and using imagination to further push the boundaries of possibility.

It is possible to change the world through technology

- Changing the world and making it a better place for millions of people every day.

Popular themes from all responses

<table>
<thead>
<tr>
<th>Theme</th>
<th>Count</th>
</tr>
</thead>
<tbody>
<tr>
<td>Limitless possibilities</td>
<td>11</td>
</tr>
<tr>
<td>Improving lives through technology</td>
<td>16</td>
</tr>
<tr>
<td>Learning new things</td>
<td>5</td>
</tr>
<tr>
<td>The ability to change the world</td>
<td>15</td>
</tr>
<tr>
<td>Endless puzzles and problems to solve</td>
<td>22</td>
</tr>
<tr>
<td>Creativity</td>
<td>7</td>
</tr>
<tr>
<td>New challenges</td>
<td>21</td>
</tr>
<tr>
<td>Passion for technology</td>
<td>8</td>
</tr>
</tbody>
</table>

The fact that everyday has the uncanny ability to show you either something new or open up your eyes to something you thought you knew.

Figure 6. Screenshot of post ‘How does technology inspire you’ (blog http://microsoftjobsblog.com/).
In addition, Microsoft also has accounts in Facebook\(^2\), Twitter\(^3\), LinkedIn\(^4\) and Youtube\(^5\). In these social networks, users, by means of following Microsoft, shall be notified of every job offer or any other update or piece of new that might be relevant for Microsoft’s Recruiting process. Furthermore, the same post of the blog could be found in these social networks and people can also leave their comments or suggestions. With this wide range of alternatives, Microsoft can reach a lot of prospective applicants all over the world.

Figure 7. Setting up with four screenshots of Microsoft’s profiles in Facebook, Youtube, Twitter and LinkedIn.

5.2. Recruitment brochures

The use of these brochures is also an excellent way to attract job applicants. Available, both in digital and printed format, is a way of including in a short document all the advantages that can be offered to employees. It is common to find

\(^2\) https://www.facebook.com/STARTatIBM
\(^3\) https://twitter.com/MicrosoftJobs
\(^4\) http://www.linkedin.com/company/microsoft?trk=copro_tab
\(^5\) http://www.youtube.com/user/WorkingAtMicrosoft
these brochures available in pdf format in the web-site of a company, although all the information provided is also included in other parts of the web, so that prospective employees could have all the information they might be interested in the same document.

To illustrate this manner of attracting applicants, two examples shall be found below. The first one is from Johnson & Johnson, the American multinational that produces and commercializes medical and pharmaceutical goods; and the second from Credit Suisse, the global financial services company headquartered in Zurich. For the sake of briefness, the whole brochures are not included in this project. Instead, in the following paragraphs a brief summary of them shall be found and only some parts of them will be illustrated.

**Johnson & Johnson**

In Johnson & Johnson’s brochure, the second page, that could be found below as Figure 8, is a good summary of the information that is further explained in the rest of the brochure: working for Johnson & Johnson gives you the chance of developing your career at your own rate and, besides, you also can contribute to make the world a better place.

There is a special allusion to diversity and global framework. Moreover, the feeling of diversity is perceived throughout the brochure, through images from people coming from different places of the world.
The rest of the brochure is divided in two (2) parts:

a) Part one (1) “Accelerating your career growth”: Where it explains that this company offers you the possibility of building the career you want with personal development plans (therefore, it implies that employees would keep their independence when building their professions). It goes on indicating the different segments existing within the company, and it ends up stating that the strategies of growth of the firm are also opportunities for workers.
b) Part two (2) ‘Touching the world’: As the name indicates, this part is more dedicated to show Johnson & Johnson’s contributions to the world and the ways in which employees can also help in this function. It also alludes to its global profile and its credo values that include talent development.

The Johnson & Johnson Global Leadership Profile

The framework of leadership development throughout the Johnson & Johnson Family of Companies is the Global Leadership Profile (GLP). The Profile defines critical behaviors that characterize and establish effective leadership at all levels of our organizations. It serves as a means for goal setting and self-assessment, and it supports effective discussion between employees and their managers to help ensure that you are supported in being vital throughout your career.

The GLP includes:

- Integrity and Credo-based actions
- Strategic thinking
- Big picture orientation with attention to detail
- Organizational and talent development
- Intellectual curiosity
- Collaboration and teaming
- Sense of urgency
- Prudent risk-taking
- Self-awareness and adaptability

Figure 9. Page 10 of Johnson & Johnson’s brochure ‘Family of companies. Professional career Opportunities (North America)’.

Credit Suisse

This one is an example of brochure dedicated exclusively to diversity and inclusion. With this type of brochure Credit Suisse aims to emphasise that they seek talent no matter the sex, colour, religion or where it comes from.
The brochure has five (5) sections, all of them dedicated to diversity and inclusion. In them Credit Suisse establish its goal of having a diverse and global workforce, the programs, networks and partnerships for doing so, and the awards and recognitions received for being a great an diverse place to work. Sentences like “We are committed to creating a global workforce that reflects the diversity of the world we work and live in, and the clients we serve” or “You want to work for a different kind of bank, one that values
different perspectives and support inclusion. We want to be the employer of choice for exceptional diverse talent” shows clearly what Credit Suisse wants to transmit with this brochure.

5.3. Strategic Alliances

As we have studied in previous sections of this project, good reputation in terms of environmental or social causes is more and more requested by customers and young professionals (Austin J.E., 1998; Rondinelli D.A. & Berry M.A., 1997), and consequently, that good reputation is a key factor in order to attract talent.

A strategic politic used currently by a lot of firms in order to improve their external image is collaborations with NGOs. There are several definitions of the term NGO. In order to pick one, I consider that the definition used by Teegen et al. (2004:466) is
very precise. They define NGOs as “private, not-for-profit organizations that aim to serve particular societal interests by focusing advocacy and/or operational efforts on social, political and economic goals, including equity, education, health, environmental protection and human rights.” There are several reasons that fundament firm’s collaborations with NGOs, among them, we find the improvement of its image and reputation (e.g. Yaziji, M. and Doh, J., 2009; Glasbergen, P. & Groenenberg, R., 2001). The importance of social responsibility is huge currently and, corporations could use the collaboration with NGOs as a way to demonstrate social responsibility (Parker B. & Selsky J.W., 2004; Selsky J. W. & Parker B., 2005).

Collaborations with NGOs could be considered a win-win strategy, since both have advantages arising from that union: NGOs are fulfilling their core objectives while corporations also have a lot of benefits, such as the mentioned good reputation, fulfilment of legal requirements (sometimes, this unions help corporations to oversee those requirements, by having a proactive behaviour), acquisition of environmental experience (they can learn how to make their products more sustainable and respectful with the environment), that sometimes can even suppose a reduction of costs.

A good example to see the benefits of making strategic alliances between firms and NGOs is the collaboration of McDonald’s Corporation (McDonald’s), the world’s largest chain of hamburger fast food restaurants, and the Environmental Defence Fund (EDF), a US non-profit environmental advocacy organization. In order to know a little bit the background of the alliance, we might use the article “Rewards of teaming up. Enterprise Strategy and Corporate Environmental Alliance” (Hemphill, Thomas A., 1996), which explains in detail the alliance between McDonald’s and EDF. According to the mentioned article, before collaborating with EDF, McDonald’s was being attacked by environmental groups through publicity campaigns because the huge volume of solid of waste McDonald’s restaurants generated, which was damaging a lot the image of the company. Meanwhile, EDF had been making a research for many years on solid waste problems. On August 1, 1990, McDonald’s and EDF entered into
an agreement to create an alliance to jointly evaluate product packaging and developing strategies to reduce McDonald’s solid waste. The first action they undertook was the establishment of EDF-McDonald’s Solid Waste Task Force (SWTF) to implement the goals of the alliance, and in April 1991 they released a report with forty-two (42) initiatives in the areas of source reduction, reuse, recycling and composting. In April 1993, 23 out of them had been accomplished, and that was just the beginning.

In order to know the benefits of that collaboration, information from EDF’s official site (http://www.edf.org), might be extracted. According to an article published in the mentioned page with the objective of commemorating EDF and McDonald’s 20 years of Partnerships for Sustainability; the initiative eliminated more than 300 million pounds of packaging, recycled 1 million tons of corrugated boxes and reduced waste by 30 per cent in the next decade, and this was achieved at no additional cost to McDonald’s (EDF, 2010).

McDonald’s has made alliances with other corporations but it still works together with EDF. The new initiatives are still related to the environment but embrace a lot of possibilities, for instance, one of its programs, EDF Climate Corps, encourages MBA students to develop energy efficient plans for leading companies to save millions in operating costs and carbon emissions.

Nevertheless, not all the benefits were from the environment point of view. The reputation of McDonald’s has improved, since it is nowadays considered as a socially responsible company concerned about the environment.
5.4. Reporting, certifying, awards and recognitions

All these methods consist on assuring that what the company claims to do is really being done (Waddock, Sandra, 2006). In order to do so, most of the companies that have a CSR program, elaborate reports that include all the policies undertaken by the company in the social, sustainability and environmental areas, what is considered ‘triple bottom line’ reports (Elkington J., 1997).

Nevertheless, these reports might be considered as other claims that might not be true. In order to avoid this, the Global Reporting Initiative (GRI)\(^6\) developed a common reporting framework for ESG/sustainability reporting (Waddock, Sandra, 2006).

However, the best way to guarantee the effectiveness of a CSR program is by means of accreditations issued by independent entities. In this regard, we can find methods such as fulfilling discretionary certifications like, or example, the AA1000 Series of Standards\(^7\), or de International Organization for Standardization (ISO) standards\(^8\), or trying to occupy a good place famous rankings regarding CSR.

There are a lot of rankings regarding varied issues that evaluate firm’s behaviour in relation to the environment, the community, the employees, etc. Sandra Waddock (Waddock, Sandra, 2006) listed the most important ones that are the following:

- 50 Best Companies for Minorities (*Fortune*).
- 100 Best Companies to Work For (*Fortune*).

\(^6\) The Global Reporting Initiative (GRI) is a non-profit organization that produces one of the world’s most prevalent standards for sustainability reporting. GRI seeks to make sustainability reporting by all organizations as routine as, and comparable to, financial reporting.

\(^7\) Accountability’s AA1000 series are principles-based standards to help organisations become more accountable, responsible and sustainable. They address issues affecting governance, business models and organizational strategy as well as providing operational guidance on sustainability assurance and stakeholder engagement[...]. The standards are developed through a multi-stakeholder consultation process with ensures they are written for those they impact, not just those who may gain from them ([http://www.accountability.org/standards/index.html](http://www.accountability.org/standards/index.html)).

\(^8\) ISO is the world’s largest developer of voluntary standards. Its more popular standards are ISO 31000 Risk management, ISO 9000 quality management, ISO 26000 social responsibility, ISO 14000 environmental management, ISO 3166 country codes and ISO 50001 energy management ([http://www.iso.org/iso/home.htm](http://www.iso.org/iso/home.htm)).
- 100 Best Companies for Working Mothers.
- Best 100 Corporate Citizens (Business ethics).
- America’s Most Admired Companies (Fortune).
- Global Most Admired Companies (Fortune).
- Hispanic Corporate 100.
- Inner City 100.
- Most Valuable Brands (InTerbrand).
- Corporate Responsibility Index, Top 100 Companies that Count (London Times).
- Top 30 Companies for Executive Women.
- World’s Most Respected Companies (PwC and Financial Times).

It could be assumed that those talented people that are seeking for job opportunities would be aware of the existence of these rankings, certifications and so forth. In spite of that, if we want our good reputation to be a hook for talent, we must make sure that this information gets to arrive to prospective employees. An excellent way to do so, is by means of the web site of a corporation, as we have already study. The Boston Consulting Group (BCG), a global management consulting firm which has its registered office in Boston (US), for instance, shows all its awards and recognitions in its web page, as it can be seen in the screenshot of its web page below.
5.5. Retaining people: the real performance of claimed practices

This method differs from the previous ones in the fact that it is not addressed to attract people, but to retain talented employees once working in the company. If talented people have been attracted to the company because of claims of a firm, experiencing the real existence of the policies, programs, etc., is essential to retain them. The first thing we need to bear in mind is that, if we want to keep employees...
motivated and aware of the CSR policy, this policy must be directly sponsored by high positions of the company, for instance, the CEO, and highlighted as a very important part of the company’s core business (Werther, W.B. Jr., Chandler D. (2011).

A company might claim that working for it has a lot of health benefits for employees (health insurance, balance, equality, etc.), that they can build their own careers with personal programs, with flexible timetables, freedom and keeping their independence. However, if those claims are proved to be wrong, the talent attracted can feel cheated and “fly away”.

Google Inc. (Google), the American international company famous for providing Internet-related products and services, which is ranked as the best place to work by Fortune magazine, is famous for its capacity of innovation and recruiting talent. The freedom its employees are claimed to have is not an illusion and it gives excellent results. The article “How employee freedom delivers better business”, by Susanne Gargiulo, published by CNN.com on September 21, 2011 (Gargiulo, Susanne, 2011), shows how this freedom environment is an excellent tool for keeping employees motivated and give their maximum.

As said before, SIEs are talented people that want to build their professional lives; if an enterprise wants to retain them, they must be motivated by their professional possibilities and, at the same time, giving them the independence they need to rule in their own professional lives.
According to that article and to the information provided in its web site, free medical care for employees and their families, low-cost high quality child care, fitness centre, and library are some of the benefits that employees can enjoy working at Google. The consequences, as the same article continues stating, are increased innovation and productivity, low turnover, low sickness rates and high employee satisfaction.

This is what Google gets accomplishing the policies and programs that has claimed to have, employees are able to check by themselves that all is true and the result is mutual trust. Employees trust in its company and, as a consequence, they feel more involved and identified with it; Google trust in employees, it know that meanwhile they are happy and motivated, they will continue to work hard for the company. The sort of employees Google seeks, talented and innovative people, as we have seen, do not use to be people that are just looking for earning a lot of money, instead, they are employees that want to go further, and get mutual trust, transparency, feel identified with the company and proud for what they do, and that is what a corporation might be able to provide them if they want to retain them.
Maybe not all the companies, because of their nature, are able to provide employees with this kind of free and extroverted work environment. Nevertheless, the conclusion of this subsection is that, in order to retain employees, companies might demonstrate that the policies that have been attractive for applicants are real.

6. Conclusion: Best practices and recommendations for its implementation

In this last section of the project, I shall try to summarize the conclusions we can extract from it. Likewise, based on the mentioned conclusions, I will also try to recommend some best practices for the companies of our environment.

In this sense, it must be beard in mind that the examples provided in the former section are all related to big international companies. Nevertheless, Small and Medium-Sized Companies (SMEs) represent an important part of the economy. According to the web site of the Spanish Ministry of Industry, Economy and Commerce (Ministerio de Industria, Economía y Comercio), the 99.88% of Spanish firms (3,243,185 out of 3,246,986⁹) are SMEs. Consequently, the examples studied should be adapted to the characteristics of this type of firms.

Despite SMEs represent an important part of the economy, the relationship between these types of corporations and CSR has been given less importance than in the case of big international companies. Jenkins (2004) has stated that it is necessary to develop particular CSR strategies for SMEs, bearing in mind their differences with respect to large companies.

⁹ http://estadisticas.ipyme.org/Empresas/Anuales/InformesAnualesEmpresas2008.aspx?idInforme=1. The data provided is referred to the year 2010, the number of companies might have oscillated.
6.1. Integrating CSR in the management of the company

Several authors, such as Roberts et al. (2006), have stated that SMEs undertake several actions taking care of social, economic and environmental issues, but they do not classify them as CSR. As a consequence, they do not use CSR as a tool to create a good image and reputation. Nevertheless, as we have already studied, if a company integrates CSR within its management and strategy, it could be more beneficial for it. The steps that should be taken by a SME in order to correct the mentioned situations might be the following:

- **Integration in values and mentality:** Jamali et al (2009), by means of interviews made to SMEs managers, delimited that the main reason they based on when applying a CSR policy was philanthropy. The strategic approach was not even contemplated. However, as studied, a strategic approach to CSR could be useful to ensure the sustainability of the community, the environment, but also at the same time, the sustainability of the company.

  The first step to be able to adopt strategic CSR is by means of the understanding that good actions for external stakeholders can be also good for the company.

- **Corporative integration:** SMEs are less diversified than large companies. Therefore, it is common to find departments that merger function that in large firms would be attributed to diverse departments. In these companies it is unlikely to create a CSR department, since in many cases they lack even a Human Resources or Marketing Department, that are the ones that use to take care of CSR.

  However, the integration of CSR could be done by a direct implication of the director/owner of the company, with the development of concrete programs in this sense, and involving personnel in these programs.
- **CSR programs development**: For the sake of briefness, the steps to be undertaken in order to apply a strategic CSR are not going to be reproduced again, since they have already been studied in the correspondent section. Instead, I would try to highlight some important elements.

When choosing the appropriate stakeholders, according to Jamali et al, 2009 and Vives 2006, SMEs use to select those stakeholders that are close to them, such as employees (well-being, health, worker participation, equity, etc.) or communities in which they are located. Focusing on employees, as we have studied is an intelligent strategy, above all, bearing in mind their importance. Nevertheless, an SME shall not be just addressed to local stakeholders since, thanks to the globalisation and technologies, in spite of the small size of a company; it might have a global spread. Besides, this is very important if a SME wants to attract global talent.

Once chosen the stakeholders and the strategies addressed to them, as we have already studied short and long-term objectives should be established and, the results of those programs must be measured and evaluated, as any other strategic aspect of the company.

### 6.2. Communication tools

We have already seen that, it is not enough to have a CSR program, or attractive working conditions. It is also necessary that this information arrive to prospective applicants, that is to say, it is necessary to create a reputation, a good image of the company. Communication tools are a key in factor in this area.

In this regard, Nielsen & Thomsen (2009) differentiate two types of communication: direct communications (which is the one that is directly provided by the company, for instance through reports, web sites, brochures, etc.), and indirect communication
(which is the one spread by external individuals, such as mouth-to-mouth communication, publication in local press, etc.).

SMEs make a lot of use of indirect communication and that is of utility in order to attract local employees, or customers, for example. Nevertheless, if an SME, due to its particular business, wants to act in a more global way, then it must promote its direct communication. SMEs, in general terms, use to be less visible than large firms to employees; direct communication needs to be made in order to increase visibility.

- **Identifying the attractive points:** First of all, a manager needs to make clear what might be interesting for the type of employee he or she desires to attract. Due to SIEs’ profile, already seen, in general terms, SIEs feel more attracted to large companies, since they have more professional possibilities. Thus, if a smaller company wants to attract the same time of talented international person, it has to promote its attractiveness, by indicating the unique characteristics a small firm can offer and that will not be found in a big company:

  - **Family atmosphere based on trust:** Jamali et al (2009), the relationship between managers and employees in this type of companies is much more personal, based on trust and mutual commitment. The relationship between top managers and employees in large companies use to be strictly contractual, but in SMEs this relationship is much closer.

  - **Employee well-being:** According to the same study of Jamali et al (2009), and, as a logical consequence derived from the first characteristic stated, in SMEs human element is a core factor. Consequently, SMEs try to promote employees well-being and, since the size of the company is smaller, it is easier for them to create and atmosphere of equality, diversity, health, etc.
- **Work variety and more impact:** This is a way to turn the disadvantage that supposes working for a small company, into an advantage. A SME should strengthen the idea that within this type of company, since there are not specific departments for each field, an employee would be able to develop more and varied skills related to several aspects of business.

Another good advantage to highlight is the fact that, from the beginning you have more responsibilities, since there are more tasks to take charge of, and your work has a direct impact in the management of the company. This is a good claim for ambitious people, as it is the closer situation to having an own business, but without the economic venture.

- **Direct involvement in the CSR program:** As said, SMEs have a long tradition of philanthropic activities, but they do not have identified them as CSR. If a small firm desires to attract people from all over the world, this should change, and the CSR program should be developed and become visible for external stakeholders. It has already been mentioned, that CSR actions in SMEs do not necessary have to be local. Nevertheless, being local or global, the important thing is to make them notorious.

Moreover, and this is above all addressed to those SIEs concerned with their environment and community, and that seek companies they might feel identified with; a good direct communication shall be able to highlight that, in a SME, an employee would be directly involved in the CSR program.

- **SIE’s official web site:** It is more and more often that SMEs have official web sites. However, as important is having a site as knowing the information that must be provided by means of it. The web site should be as attractive as possible, both in content and in image. Basically that information is the one
mentioned in the previous point. In order to make a brief summary, the points that might be included:

- **Company’s values**: Mentioning the familiarity, equality, integrity, trust and, in general, all the strong points we have already seen.

- **Employees section**: Establishing a section to give publicity to well-being programs, the development and promotion possibilities, and the direct involvement and impact of their job.

  In this section it is important to include the job positions available, the characteristics requested and the description of the tasks. Likewise, the company shall ensure that the application to the jobs can be done on-line in an accessible way.

- **CSR section**: Identify the actions the firm does for their external stakeholders. Publish, likewise, a report on this aspect and also, possible certifications or awards (even local, as we will see below), if any.

- **Frequent questions and contact**: SIEs and skilled professional people in general, wants to be aware of all the circumstances surrounding the company. A section of frequent questions would be of interest, as well as a direct phone or e-mail address through which they can have contact with the company in order to solve all their queries.

- **Social Networks**: This is a very cheap and easy way to make a company more public. By having accounts in social networks, such as Facebook, Twitter, Youtube, or even having a blog, a SIE would be more in contact with potential applicants. In those social networks, a brief summary of all the circumstances stated above for the official web shall be available, as well as the link to that
official web site. Besides, by means of these networks, people might be able to ask questions, and thus it is important to be quick in providing answers.

- **Recruitment brochures:** Available on-line in pdf format and also in printed format that can be distributed, it must contain all the attractive points we have identified. Here we have an example of brief brochure made by Trench Safety and Supply, Inc., a medium-sized company located in Memphis, US, that, in spite of being brief, collects all the advantages of working there:

![Figure 14. Second page of Trench Safety and Supply, Inc.'s recruitment brochure. Available at http://trenchsafety.com/Content/pdfs/RecruitBrochure_June2012.pdf.](image-url)
6.3. Strategic partnerships and alliances

International alliances might be a key factor for a SME that do not have international presence but that, in spite of that, do not want to limit their effects to national boundaries. Some examples of strategic alliances could be the following ones:

- **Collaboration agreements with similar SMEs:** By making a market research and identifying similar companies in other countries. By means of collaboration agreements between them, they can undertake the compromise of doing mutual international secondments of their employees, for example.

  This is a way of making our company known in that country. Besides, although the exchange is initially temporal, SIEs’ personal profile might guide them to prolong the stay. Moreover, it is way to start an indirect communication (mouth-to-mouth, for instance) but in a different country.

- **Collaboration agreements with Universities:** Building strong and durable relationships with universities can be an excellent recruiting tool. In this case, it is important to select carefully the university and then the possibilities are limitless: giving conferences (which is a communication strategy), international internship programs, doing the interviews in the university itself.

  In order to attract the more amounts of applicants, the company shall be perceived by students as a positive place to work for. Therefore, strategies of interaction with student’s organizations, sponsoring small events in the university should be deeply studied.

- **Strategic alliances with NGOs:** Alliances with NGOs might not only be about protecting environment, as in McDonald’s case. Strategic alliances could be entered with these institutions in order to promote diversity, integration,
equality and so forth. Therefore, NGOs with international presence might be helpful for small business when finding international profiles.

6.4. Reporting, certifications and awards

- **Reports and certifications:** As studied, doing an annual report of the CSR practices of a company is another way to show the social responsibility of a corporation. The problems of SMEs in this case, are that their programs in this field might not be many, due to their size, and therefore the report might seem scarce. Furthermore, the company might also acquire some of the certifications already studied.

- **Awards and recognitions:** It is quite difficult for SMEs to be included in the rankings and list that we have mentioned in section 5. Nevertheless, it is possible to be included in local or national rankings, such as, for example el Directory of Social and Solidarity initiative of voluntary character performed by Andalucía’s companies (“Directorio de Iniciativas Sociales y Solidarias que realizan las Empresas Andaluzas”).

- **Make sure the information arrives to the target:** Due to their limited spread, the awards and recognitions got by SMEs might not be known beyond the community in which they are located. Therefore, the company might be able to give them publicity by means of the communication tools already studied.

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10 Publication made by CEA, Confederación de Empresarios de Andalucia (Entrepreneurs’ Confederation of Andalucia), together with Konecta consultancy and the Dirección General de Voluntariado y Participación de la Consejería de Gobernación y Justicia (General Direction of volunteering and participation of the Government and Justice office).
6.5. Motivation

- **Promote the mutual trust:** that is to say, create a relationship of mutual confidence, which is precisely what has been claimed to attract prospective applicants. As we have studied in section 5, this confidence is built by means of fulfilling all the programs and policies that the company has assured to have. On the contrary, there would be risk of losing this workforce.

- **Involvement in the CSR practices:** Especially in the case of those employees that were attracted because of their socially responsible behaviour. Besides, that is easier in a small company, where there are fewer departments that have to take charge of everything.

- **Offer a professional career:** One of the more important inconvenient of working in a small company is the scarce possibilities of promotion. This is still more important in the case of SIEs, since they are people that are worried about their personal development. Therefore, a good alternative is trying to create a system of promotion, with rewards or bonuses depending on the profits of the company, and acquiring more responsibility with the improvement of the firm. For example, if we acquire a SIE to expand our business in another country and, as years go by, the business gets established there and increases benefits, the company can offer to that employee an annual promotion linked to the future of the company. Likewise, for this purpose, if would be also recommendable to offer employee training and development.

To sum up this subsection it could be stated that, in order to retain people is essential to make a personal study of each of them in order to know their interests and, depending on them, trying to keep them motivated, either by involving them directly in the CSR program, or offering them continuous training and promotion possibilities.
References


