CORPORATE RESPONSIBILITY IN THE RELATION TO LOCAL COMMUNITIES

José Andrés Montes Espinoza Santiago Rodríguez Balestra Ricardo Mendoza Romano

Introduction

Corporate social responsibility is made up of a range of critical business considerations. There are 4 main pillars:

- Workplace
 - Equality
 - Diversity
 - Skills
 - Employee approach
- Marketplace
 - Supply chain issues
 - Impact in society (products & services)
 - Competitors
- Environment
 - Natural assets



Fourth Pillar: Local communities

Getting involved with the local communities

- Support a local charity
- Sponsor a local event
- Organise clean-up events
- Volunteer in local schools or community projects



It makes commercial sense to get involved in an activity related to your product or service. This lets you use your expertise, and show the human face of your business at the same time. For example, some restaurants provide food to local homeless groups, while some builders give free labour and materials to community projects.

Benefits of CRS with local communities

- Working with your local community can bring a wide range of benefits. For example, for many businesses, local customers are an important source of sales.
- Demonstrating commitment to your community can also improve your business reputation, and in turn, make it easier for you to recruit or retain employees.
- A good relationship with local authorities can also help. For instance, some local authorities prefer to award contracts to businesses with a record of community involvement.

Everyone can help

- Support charities chosen by your staff
- Encourage staff to volunteer for community activities
- Give staff paid time off for volunteering
- Help employees to make tax-free donations to charity through 'payroll giving'

As well as improving your community relations, involving your staff can help motivate them and build their interpersonal and team participation skills.



Four things to consider when incorporating community service into a business plan:

- 1. Build relationships with communities
- 2. Get the employees involved
- 3. Create a custom volunteer plan
- 4. Let customers know how the company is supporting



1) Build relationships with the communities



Look at your community to see what's important. For example, Pizza Ranch franchises, has "community impact" nights, where friends and family members bus tables to support a local cause, such as raising money for a class trip. Pizza Ranch donates the night's tips and 5 to 20 percent of the profits to the cause, while community members often provide additional donations.



The business benefits are that it fills the restaurant on a typically slow night. If the company builds genuine connections with the customers, then finding ways you can contribute becomes easier.



2) Get the employees involved

Giving employees an avenue to give back is important to morale and builds a collaborative and inspired team. If the employees love what they're doing, they do a better job. It is recommended to offer employees an opportunity to volunteer during work hours.

Volunteering also provides leadership opportunities for employees, which leads to increased staff performance, fulfillment and, ultimately, increase productivity and sales.

3) Create a custom volunteer plan

ACTION

Business owners should evaluate their business and employee strengths and select volunteer activities that draw upon those strengths. For example, if you own an accounting firm, you could volunteer to help a nonprofit set up their accounting practices or do their taxes.

Companies have to organize how much time your employees can volunteer through the business on an annual basis, taking into account your operation demands.

4) Let customers know how the company is supporting communities

Once implemented the volunteer strategy. Companies make public what they do so prospective customers see. Sometimes companies show the amount of time or services donated. They put the cost next to the number of hours the employees have spent supporting so it's easy for customers to understand how much the company give to the

community.



Why Supporting Small Businesses Benefit Local Communities?

- Helps the Community Identity: Preserving the unique character a
 vibrant small business community creates— transforming that character
 into an advantage. In other words, benefits the community turism.
- <u>Environmental benefits:</u> A small business in a community impulse directly the environment, For example, small businesses clustered near residential areas may reduce automobile use and traffic congestion, resulting in better air quality and less urban sprawl.
- Increasing the Tax base: When local residents shop at small businesses within their communities, their tax dollars stay within the local economy, helping to improve their community as a result.
 Likewise, local small businesses tend to buy locally as well, pumping more of their profits back into the community

Why Supporting Small Businesses Benefit Local Communities?

- <u>Local Jobs:</u> Small businesses are job creators, Rather than having to commute to another city, employees work closer to home. Supporting local businesses also helps your fellow community members who work at them.
- <u>Entrepreneurship:</u> By starting a small business, the business owner is taking charge of his or her future. Entrepreneurship fuels economic innovation and prosperity and serves as a key means for families to move out of low-wage jobs and into the middle class.
- <u>Innovation and Competition:</u> They must serve a legitimate need in the community and do it better than their competitors. Having multiple small businesses all striving to be unique, innovative, and better can result in a healthy marketplace and well-served consumers.

Why Supporting Small Businesses Benefit Local Communities?

- Diverse, Locally made products and Services: One-of-a-kind and locally made products can attract customers to a community, bolstering tourism and contributing to the local vibe. Locally made goods are also attractive to residents who want to minimize their carbon footprints, support local businesses, and keep their tax dollars close to home.
- Less Infrastructure and Low maintenance: Compared to shopping malls and chain stores, local shops tend to require fewer public services and

less infrastructure.

A LEADING MEDIA AND ENTERTAINMENT COMPANY IN CENTRAL AND EASTERN EUROPE



- -Operations in Bulgaria, the Czech Republic, Romania and the Slovak Republic.
- -26 television channels broadcasting to more than 40 million people across our four markets.
- -They develop and produce content for our television channels, and our content is also consumed through subscription- and advertising-based platforms online.

CME was founded in 1994 with the launch of TV Nova in the Czech Republic. CME's television brands are market and audience share leaders in all of its markets with a combined 2017 television advertising spend of approximately US\$ 807 million.

Television markíza foundation



- -Education and talent development
- -Stop to violence and bullying
- -Social inclusion, help for children from socially disadvantaged environment, health support

Their mission is to make the world a better place for everyone, but especially for children. They work on the implementation of unique projects, which aims to change children's quality of life, please them, help them meet their long-desired dreams and goals, and to bring joy and enable them to experience a feeling of support and hope.

Tools for corporate responsibility

Partner Organizations

- -The project Barriers Account Detský fond SR (Children's Fund of the Slovak Republic)
- -Náruč pomoc deťom v kríze (Open Arms Help for Children in Crisis)
- -Návrat (Return) civic association
- -Plamienok (Little Flame)
- -Šanca pre nechcených (Chance for the Unwanted)
- -Nadácia Detského kardiocentra (Children's Cardio Centre Foundation)
- -Detom s rakovinou (To Children with Cancer)
- -Slovenský paralympijský výbor SR (Slovak Paralympic Committee)

Tools for corporate responsibility

Fundraising

- The Televízia Markíza Foundation raises funds through donations from both individuals and companies.
- The Interior Ministry allowed TMF to conduct the Public Fundraising Campaign, which is used to accumulate funds in connection with the projects already started with partner organizations.
- Another source is the e-shop (eshop.markiza.sk), which serves as a platform for the sale of branded products of the Foundation.
- Last but not the least, the Foundation cooperates with sponsors.

T ARGET FOR THE NEXT YEARS



- The strategic focus remains on children. This is a long-term strategy.
- They plan to expand their cooperation by some new organizations, for example, aimed at preventing domestic violence, bullying, and helping sick children.
- They will continue with organizing successful and time-tested events such as Children Day Charity Day, Open Day, and Summer Camp.
- They plan to setup our own project focus on bullying, healthy life style for children and whole families.
- In 2016 the Employee Grant Program of the TV Markíza Foundation was launched, which gives employees the opportunity to actively contribute with ideas and help projects focused on children at local and regional levels.

References

https://www.nibusinessinfo.co.uk/content/corporate-social-responsibility-local-community

http://www.cetv-net.com/about-cme/corporate-and-social-responsibility/slovak-republic/default.aspx

http://www.cetv-net.com/about-cme/company-overview/default.aspx

https://www.theguardian.com/sustainable-business/2014/sep/08/community-engagement-pillar-business-csr-sustainability

https://www.entrepreneur.com/article/226974