

CSR & Social Media

By Wayne Visser

Part 1 (28 February 2011)

In my previous blog on CSR and WikiLeaks, I suggested that social media may be a new platform for social activism. There are some, like Tipping Point author Malcolm Gladwell, who are sceptical. In his article for The New Yorker, subtitled “Why the revolution will not be Tweeted”, he argues that “the drawbacks of networks scarcely matter if the network isn’t interested in systemic change—if it just wants to frighten or humiliate or make a splash—or if it doesn’t need to think strategically. But if you’re taking on a powerful and organized establishment you have to be a hierarchy.”

WikiLeaks is just one face of a broader movement of the explosion of social media as a new platform for communication, stakeholder engagement and transparency. We now have companies like GoodGuide providing sustainability ratings for over 60,000 products in the U.S., all accessible at the point of purchase simply by using a free iPhone barcode scanning application. We have JustMeans providing a social networking platform that allows self-declared stakeholders to “follow” a company through the site, providing not only access to their published CSR information, but also providing a conduit for feedback. Justmeans and CRD Analytics have also launched an innovative platform to provide companies with the capability to verify the accuracy and completeness of their ESG Data Set. And we have a new company, OpenEyeWorld, which provides a “crowdsourcing” tool for companies to consult with sustainability experts from around the world.

However, like any new tool, social media is still a double edged sword for companies trying to turn it their advantage in the sphere of corporate citizenship. An already classic case is that of Greenpeace’s anti-Kit-Kat chocolate campaign, which went viral in March 2010 across the social media networks like Facebook and Twitter. The 60 second Greenpeace video, which was at the heart of their campaign, shows a bored office worker biting into a Kit-Kat, and as he does so, it turns into the finger of an orang-utan and ‘crunch!’ the blood spills down his chin and over his clean white shirt. One estimate by Scott Douglas on Prezi calculated that within 4 days the Greenpeace report and shock-video may have reached half a million people through social media like Twitter and Facebook. This viral effect was seemingly boosted by Nestle’s attempt on its Facebook page to censor comments made by its critics (including activists who had changed their Facebook profile pictures to a defamed logo of Nestle, which said ‘Killer’ instead).

The fact that Nestle took swift action by dropping the accused Indonesian supplier and that their hands are effective tied by a lack of available sustainable palm oil did little to

quell the angry reactions of online activists. Greenpeace later called off the campaign, which Nestle Executive Vice President for Operations, Jose Lopez, says was achieved “by putting on the table a very technical view of the issues we are talking about. We’ve demonstrated that we have a logic, a path and a process that drives continuous improvement into topics of high concern, which in this case is deforestation” (Courtice, 2010). Nestle’s successful resolution, however, does not take away the fact that social media is a tricky area for companies to master.

References

Courtice, P. (2010). Interview of Jose Lopez by Polly Courtice, Director of the Cambridge Programme for Sustainability Leadership, 17 June 2010.

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Note: This blog is partly based on research and writing done for the forthcoming edition of the Journal of Corporate Citizenship.

Part 2 (2 March 2011)

In my last blog on CSR and Social Media, I wrote about social media still being a “double-edged sword” for CSR. Besides the risks, however, there are also massive opportunities. For instance, the Internet is empowering small traders, promoting greater equity in the supply chain, strongly aided by the new generation of web-enabled mobile phones. China Mobile’s Nongxintong – or farming information service – launched four years ago, which allows 20 million farmers to stay up to date on commodity prices. Other innovations include the Geo Fair Trade research project, which is devising a geotraceability tool for the Fair Trade sector as a way of re-personalising ethics in the Fairtrade supply chain. Meanwhile, Patagonia’s forsaking of GRI-style sustainability reporting in favour on their online Footprint Chronicles®, which map the impacts of their products through the supply chain, perhaps gives a glimpse into the future of transparency.

Looking at the broader trends, a Harvard Business School paper argues that Web 2.0 is causing a distinct shift – from Accountability 1.0 to Accountability 2.0 (Bauer & Murnighan, 2010). Accountability 1.0 is marked by one-way proclamations, campaigns, and PR communications. Companies and stakeholders talk at each other more than with each other. Because it is more about speaking than listening, Accountability 1.0 processes sometimes unintentionally fuel antagonism, confrontation, and mistrust between companies and stakeholders. Accountability 2.0 rests on the assumption of two-way communication, cooperation, and mutual engagement. Accountability 2.0 allows actors in the accountability ecosystem to disagree over substantive issues while engaging in respectful dialogue that seeks mutual understanding and more consensus-oriented solutions.

This is similar to the shift from CSR 1.0 to CSR 2.0, which I first proposed in May 2008, and which explored in more detail in my new book, *The Age of Responsibility: CSR 2.0 and the New DNA of Business*. In 2010, I wrote, "the transformation of the internet through the emergence of social media networks, user-generated content and open source approaches is a fitting metaphor for the changes business is experiencing as it begins to redefine its role in society." I argue that CSR 1.0, which tends to be defensive, philanthropic, promotional and management-oriented, suffers from the limitations of being incremental, peripheral and uneconomic. By contrast, CSR 2.0, which I also call 'systemic CSR' or 'radical CSR', is a more holistic approach, based on the principles of creativity, scalability, responsiveness, glocality and circularity, which tackles the roots of our unsustainable and irresponsible production and consumption practices.

References

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Visser, W. (2010) *The Age of Responsibility: CSR 2.0 and the New DNA of Business*, *Journal of Business Systems, Governance and Ethics* 5(3): 7-22. November, Special Issue on Responsibility for Social and Environmental Issues.

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