



UNIVERSITY OF
DERBY

CORPORATE SOCIAL RESPONSIBILITY ENGAGEMENT IN THE EAST MIDLANDS

2022

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east
midlands
chamber[®]
Derbyshire | Leicestershire | Nottinghamshire



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KEY INSIGHTS

Based on the responses to the Corporate Social Responsibility (CSR) questions in the East Midlands Chamber (Derbyshire, Nottinghamshire, Leicestershire) Annual Economic Survey in Q4 2022:

The key highlights from this year's report:

- Organisations continue to engage in CSR, despite post-Covid and cost of living impacts.
- Service-oriented organisations tend to engage in CSR more than manufacturing-based organisations.
- There is a correlation between CSR engagement and the size of the organisation, with larger firms having higher levels of engagement than smaller ones.
- Lack of resources still presents as the main barrier to greater CSR adoption, particularly in smaller organisations.
- The desire to 'give something back' and to develop links with the community are the main motivators to CSR engagement, particularly among smaller organisations.
- Charitable activities are the most popular activities for all respondents followed by environmental activities.
- Smaller organisations are more community-focused than their larger peers, who regard CSR as more critical to their strategy.
- Despite the slight fall in CSR engagement this year, virtually all organisations are looking to maintain, if not increase, their CSR activities in the coming year.

INTRODUCTION

This briefing paper highlights the key findings from an analysis of the Corporate Social Responsibility (CSR) questions within the East Midlands Chamber Annual Economic Survey, which was open during Quarter 4, 2022. This is the fifth such survey encompassing questions about CSR, so comparisons can be made over time to evaluate any discernible trends.

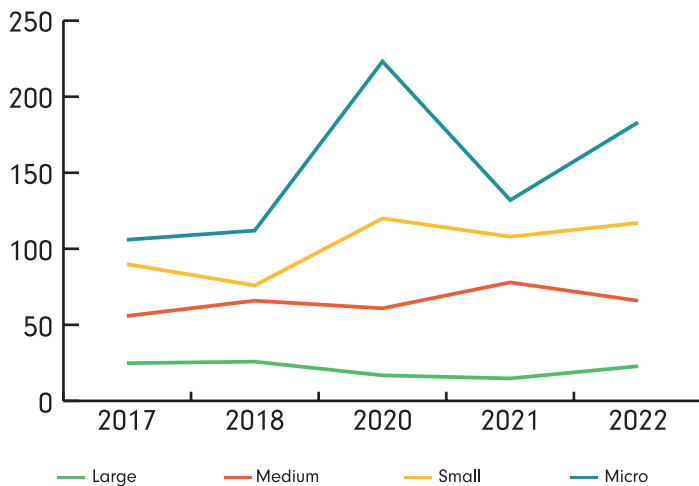
Within the survey, members are asked about their engagement with social, community and environmental matters; whether and to what extent they engage in such activities and what their motivations or barriers are to engagement.

The Chamber is keen to encourage members to engage in activities to support their communities and wider environment where possible, as there is evidence that engagement can contribute to business success as well as strengthened communities.

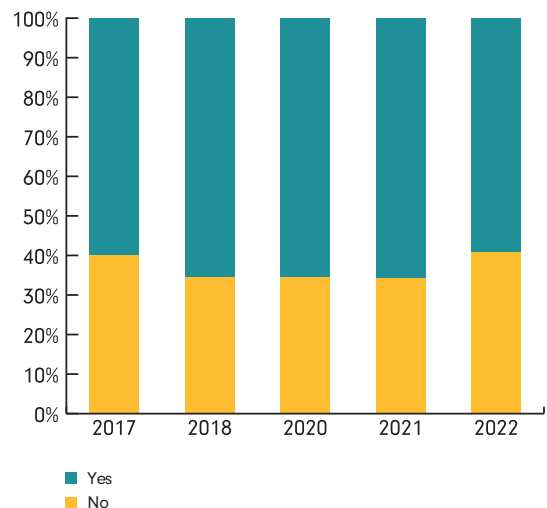
SURVEY RESPONDENTS AND ENGAGEMENT:

There were 389 respondents (2022), 333 (2021), 421 (2020), 280 (2018), 277 (2017). Micro and small organisations are consistently well-represented in the survey.

Survey respondents by organisational size



CSR engagement 2017-2022

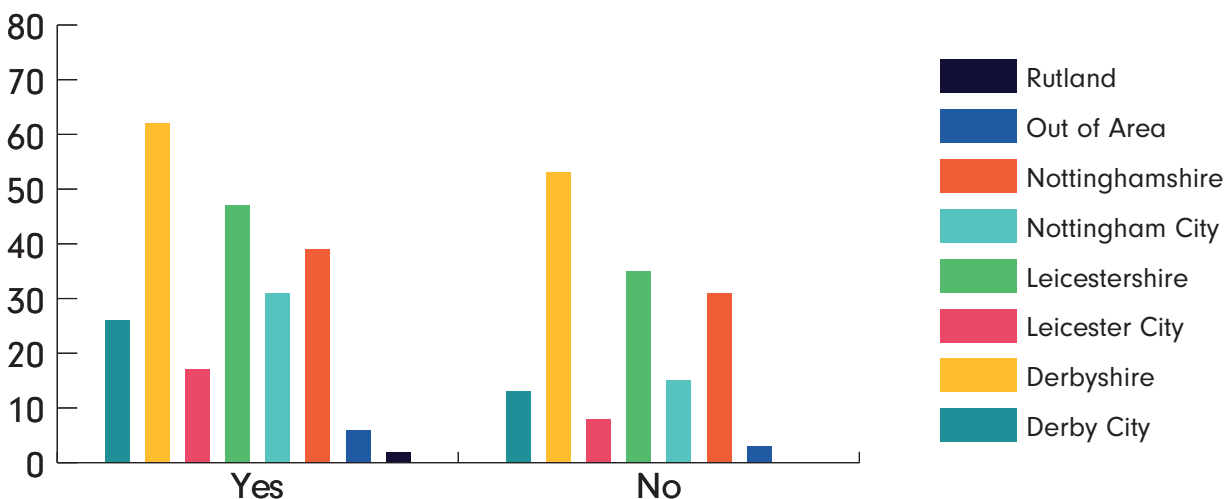


Despite a slight reduction in the percentage of organisations engaging in CSR in 2022 in comparison with prior years, possibly as the result of post-Covid and cost of living pressures, 60% of organisations are still engaging with CSR.

ENGAGEMENT BY REGION

The Chamber members cover predominantly Derby(shire), Nottingham(shire) and Leicester(shire) and there is good representation across the region. For each region, the majority of participants do engage in some form of CSR and the average participation is 66.7%. This is an improvement from the first year of the survey (2017), when the average participation rate was 61.5%.

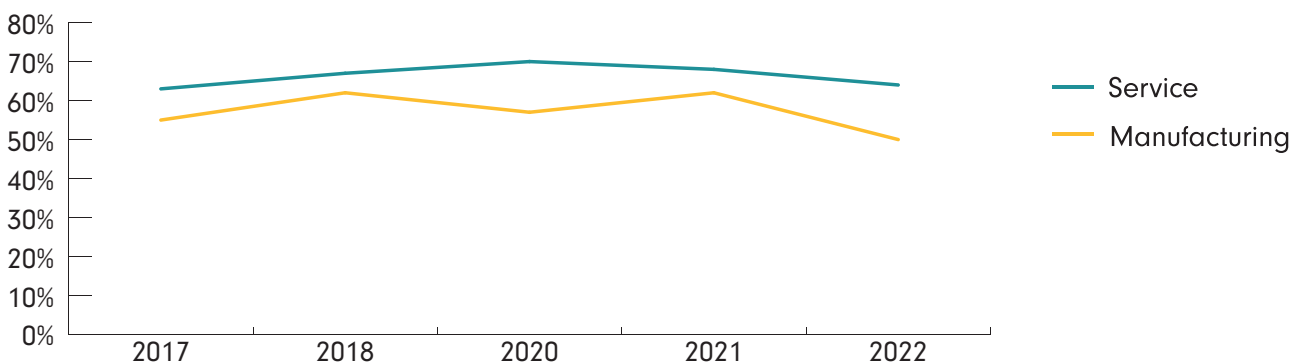
CSR engagement by region in 2022



ENGAGEMENT BY INDUSTRIAL SECTOR

Analysing engagement in CSR by top-level industrial sector, i.e. whether the organisation is manufacturing oriented or service oriented, generally service-oriented organisations tend to engage more in CSR than manufacturing-oriented organisations (67% of service organisations engage on average over the five survey years compared to 57% of manufacturers). However, post-Covid this engagement has tended to fall slightly for both sectors.

Percentage of organisations engaging by sector 2017-2022

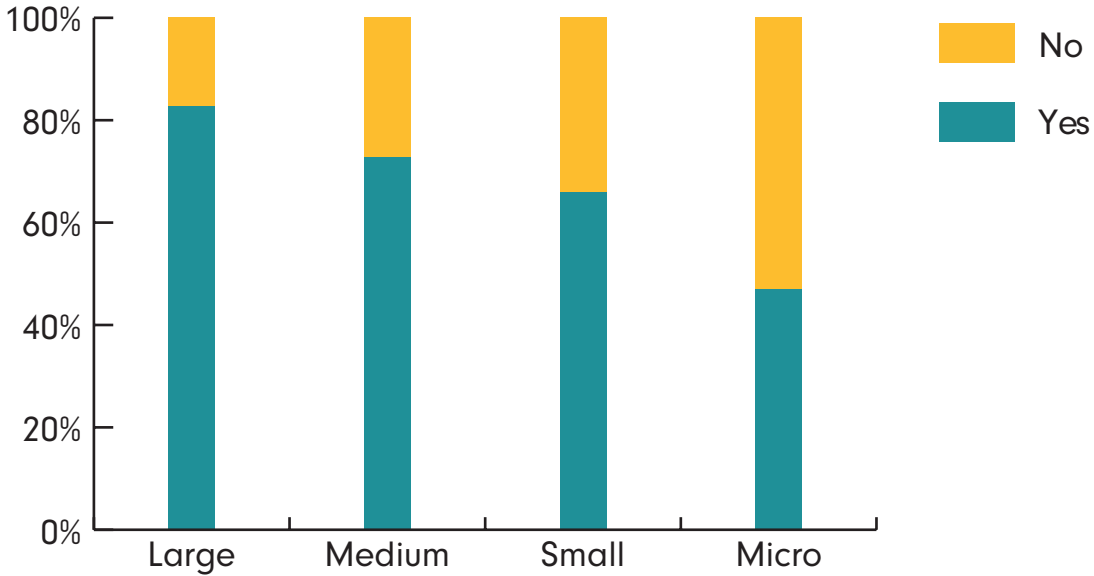


*2019 survey was not conducted due to Covid-19.
 Organisation size based on number of employees: Micro <=10, small 11-50, medium 51-249, large 250+.

ENGAGEMENT BY ORGANISATION SIZE

There is a clear correlation between the size of the organisation and its CSR engagement, with larger organisations being more engaged with CSR activities.

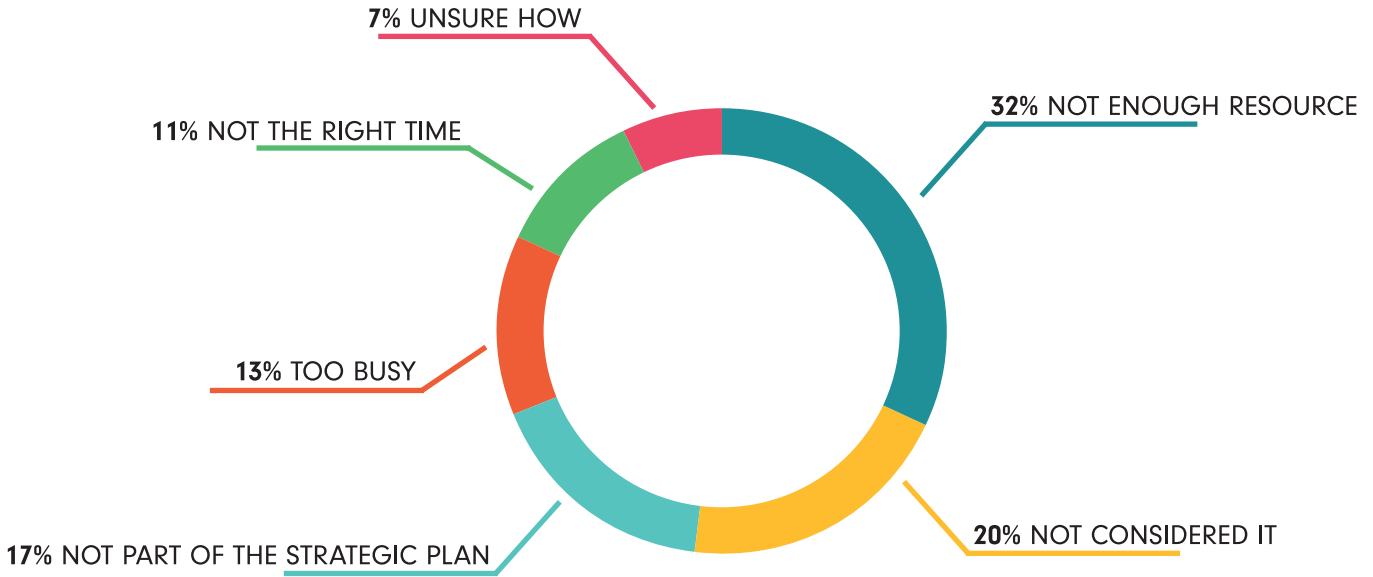
Engagement by organisation size in 2022



BARRIER TO CSR ENGAGEMENT

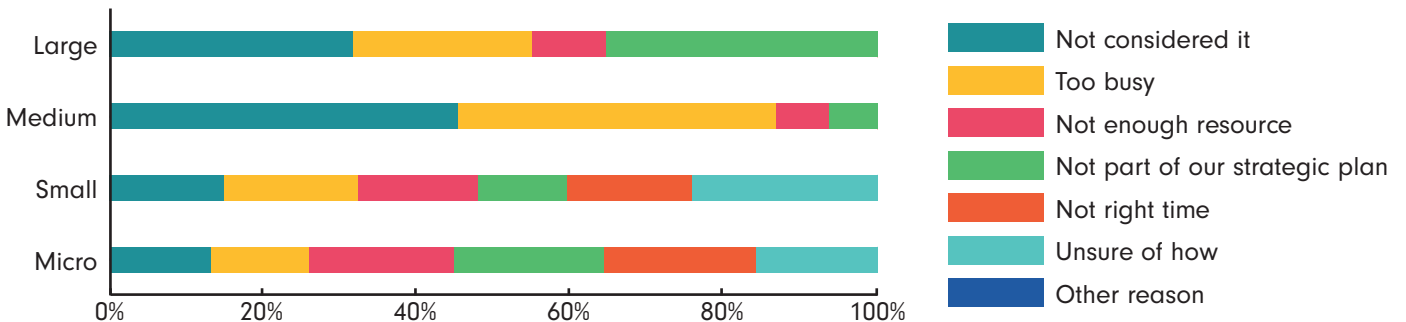
The main barriers to engagement cited are 'not enough resource' or 'not considered it' (lack of awareness) during 2022. This pattern has changed very little over the five-year survey period. It suggests that perhaps more awareness of the benefits of CSR and how little some activities cost could be key to greater CSR engagement.

Reasons for non-engagement in 2022



When analysing barriers to engagement based on organisation size, these reasons remain the top issues for micro and small organisations, whilst 'not considering it' is the main barrier to medium-sized organisations, and 'not being part of the strategic plan' is cited more by larger organisations. This suggests that resource availability is less of an issue for these larger organisations, but that CSR is not a strategic imperative for them.

Barriers to engagement by organisation size in 2022

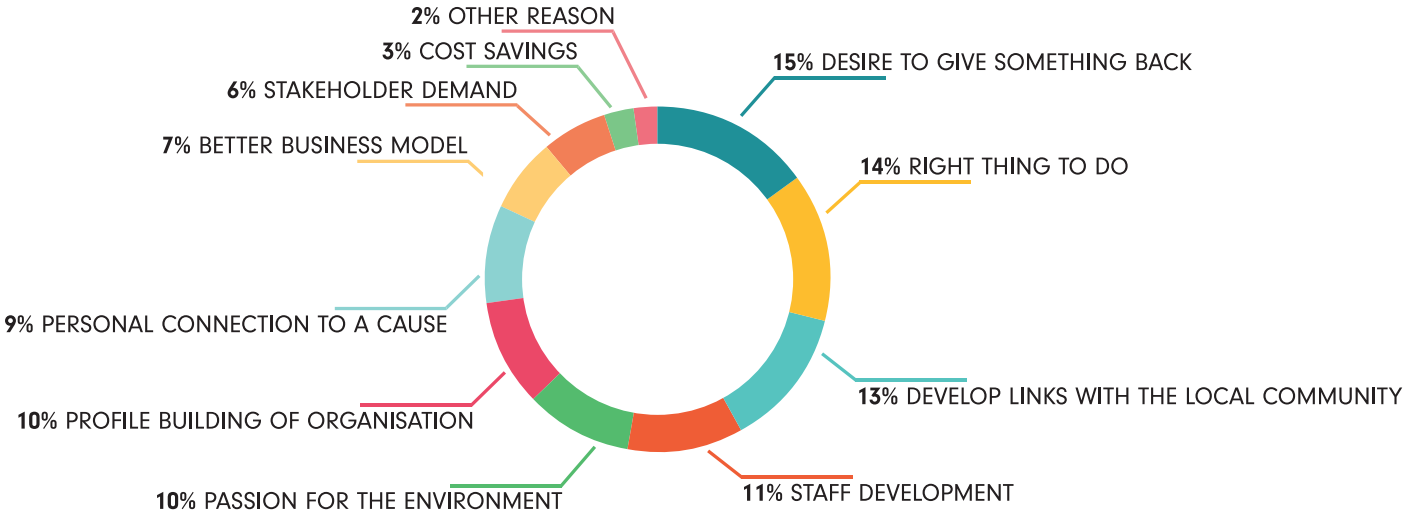


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MOTIVATION FOR CSR ENGAGEMENT

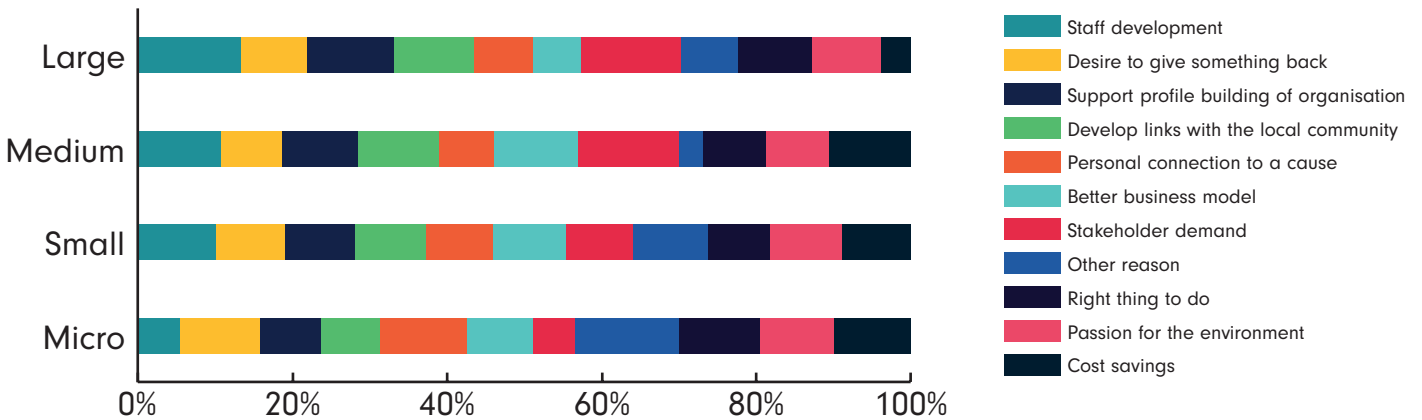
The main reasons organisations choose to engage in CSR is to 'give something back' to their communities and to 'develop better links' with them.

Reasons for engagement in 2022



Analysing this at organisational size level, smaller organisations are more likely to be motivated by the 'desire to give something back' and because it is the 'right thing to do', and this social conscience is still prevalent at larger organisations too, although they are also quite keen to 'support the profile building of their organisation'.

Motivators by organisation size

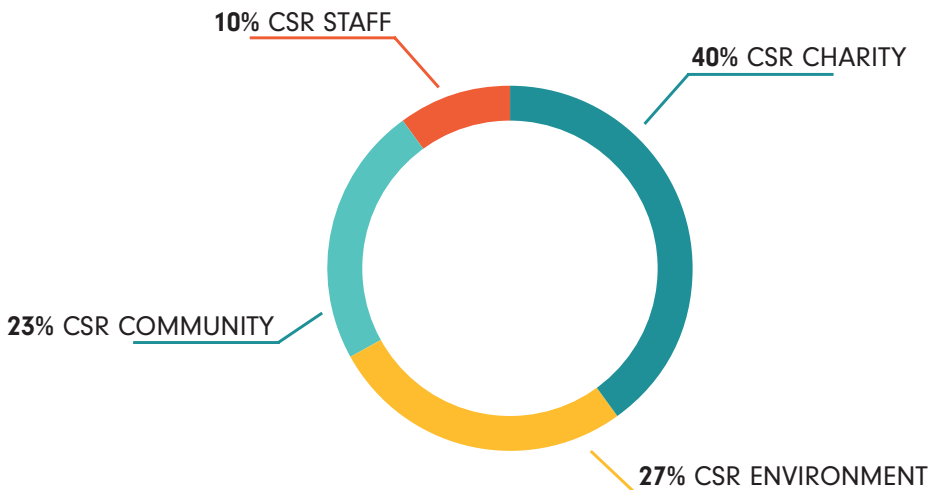


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ENGAGEMENT ACTIVITIES

To simplify the analysis of the type of activities in which organisations are engaged, the following aggregations were proposed, which highlights that the most common form of CSR activity is based around charity: largely one-off and continued donations, with some fundraising and other charitable activities.

CSR activities undertaken in 2022



CSR Charity: Corporate fundraising; One-off donations; Continued donations; Established own charity/charitable activity

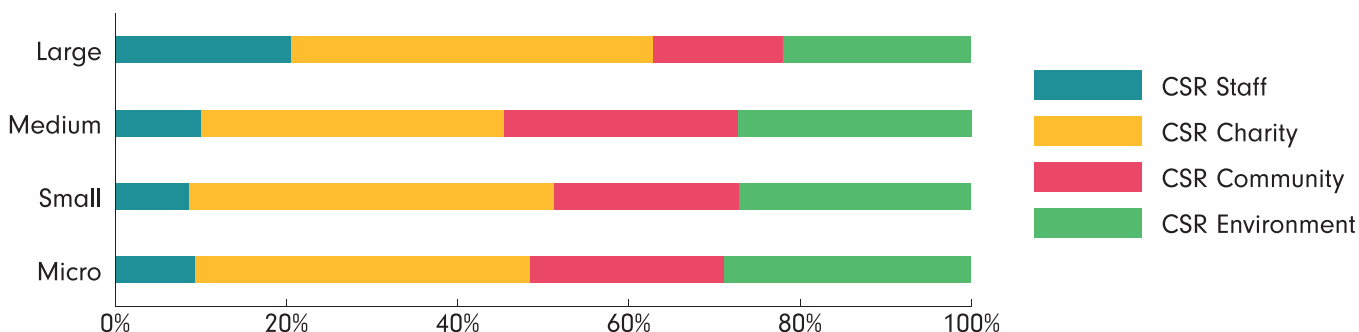
CSR Environment: Recycling, circular economy, low carbon technologies

CSR Local Community: Use of facilities; Offer of in-kind support; Other (supporting local schools, ...)

CSR Staff: Staff volunteering days; Voluntary giving through salary sacrifice

Based on size, larger organisations tend to have a higher focus on charitable activities and staff-centric actions, whereas smaller organisations are proportionally more focused on charitable activities and the environment. Environment is also an area which organisations of all sizes have a strong focus, encompassing activities such as recycling, reusing materials and using low carbon technologies.

CSR activities by organisation size



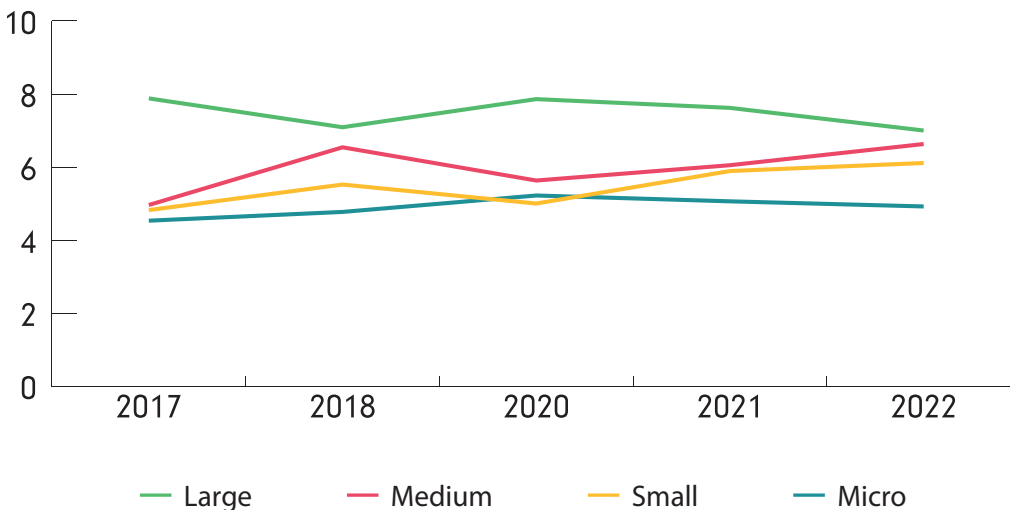
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CSR AS A STRATEGIC DRIVER

Despite many organisations not considering CSR as part of their strategic plan in section 5, nonetheless, for large and medium-sized organisations in particular, CSR is important to their strategy overall, although this has trended down since the Covid-19 pandemic in many organisations.

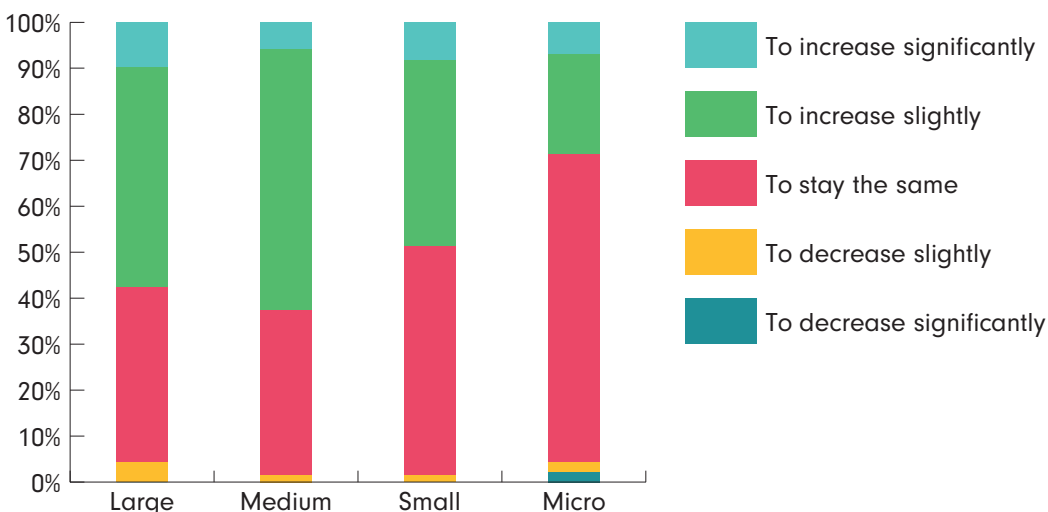
Importance of CSR organisational strategy

(0 = not important, 10 = extremely important)



PLANNED ENGAGEMENT IN THE NEXT 12 MONTHS

Despite many organisations not considering CSR as part of their strategic plan in section 5, nonetheless, for large and medium-sized organisations in particular, CSR is important to their strategy overall, although this has trended down since the Covid-19 pandemic in many organisations.



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CONCLUSION

Organisations in the East Midlands are good advocates for engaging in CSR activities to support their communities. Despite barriers of resource availability, many organisations do find the opportunity to invest in CSR and have a strong sense of wanting to give back and develop their local communities. This commitment is still strong looking ahead to the coming year, with virtually all organisations seeking to maintain or extend their CSR activities, which is a very positive bellwether of the strength of community spirit in the East Midlands.



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