



# Collaborative corporate social responsibility

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responsibility

## A case study examination of the international public relations agency involvement in the United Nations Global Compact

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### Abstract

**Purpose** – This purpose of this paper is to examine how two, American-based, international public relations agencies came to participate in the United Nations Global Compact. The global compact is an initiative which brings together more than 4,000 member organizations in over 100 countries to address some of the world's most pressing issues. Specifically, this paper seeks to identify: the events that prompt these senior-level executives, as members of their agency's dominant coalition, to initiate participation in the global compact; what obstacles within the agency present challenges to joining the global compact; and how each agency integrates the compact principles into its work.

**Design/methodology/approach** – Grunig's situational theory of publics is used as a framework to create a single, embedded case study which integrates three subunits of analysis: in-depth interviews, and primary and secondary document analysis. In-depth interviews are conducted with one senior-level executive/counselor from each of the two agencies that are examined. Primary document analysis focuses solely on the Communication on Progress reports which must be submitted on a bi-annual basis by every global compact participant. Secondary document analysis includes any agency-produced materials, such as speeches/presentations, as well as articles written for business publications.

**Findings** – Overall, results indicate that both agencies have yet to fully integrate the compact principles into their own internal functions, and primarily use the global compact as a tool for counseling clients. However, both agency executives reveal that it is going to become necessary for their agency to involve themselves in the global compact, within and across the entire agency – particularly in terms of confronting issues such as ethics and diversity.

**Originality/value** – This paper adds to the existing scholarship in a few, important ways. First, it incorporates and encourages the continued use of qualitative methods to examine contemporary issues that face the practice of public relations. Second, this research establishes an argument for furthering the idea that public relations professionals can be advocated for social change and can be influenced through the work they do. Finally, this paper stresses the continued importance of public relations work in facilitating global citizenship initiatives.

**Keywords** Public relations, Corporate social responsibility

**Paper type** Research paper

### Introduction

Within the last eight years, the leadership in two American-based, international public relations agencies – specifically Ketchum and Ruder Finn, Inc. – recognized the need to address global citizenship issues more thoroughly through their own work, particularly in an era where external publics demand greater accountability and socially responsible behavior from organizations functioning in their communities.



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The demands of creating transparent measures, such as allowing public access of annual report information as stipulated by the Federal Government, has also become a common practice in today's corporate environment. However, there has been little research that examines how large corporations manage relationships with external, partnership organizations.

Ketchum, Inc. was formally established in Pittsburgh, Pennsylvania in the early 1920s by George Ketchum. Although the agency was initially rooted in the advertising industry, the business quickly expanded, and by 1934 public relations services were added to the agency's services. The company continued its monumental growth from a small, domestic operation to a large global agency. Eventually, the company moved its headquarters to New York, and in 1996, it was acquired by the Omnicom Group, a global marketing communications conglomerate. The company has an estimated \$54 million in sales for 2007 (Hoover's, Inc., 2008), while its parent company, Omnicom, reported over \$11 billion in sales during 2006 (Corporate Financials, 2007a). After becoming a unit of Omnicom, Ketchum continued to establish offices in Europe, Asia and Latin America. Recently, with over 900 employees, the agency operates offices – either directly through Ketchum offices or affiliates – in over 50 countries. By the early 2000s, the agency initiated a specialty practice area that would focus exclusively on corporate social responsibility (CSR)-related issues. A global team, based in New York and London, was formed and responsible for spearheading this new focus for the agency.

Ruder Finn, Inc., was founded in the late 1940s by David Finn and co-partner, William Ruder. Recently, the agency is one of the largest, independently owned, and has over 500 employees and operates close to 20 offices in North America, Europe and Asia, and in 2007 reported earnings of nearly \$85 million (Corporate Financials, 2007b) and serves clients such as Eli Lilly, Verizon, Pfizer, Paine Weber and the United Nations (UN).

The UN Global Compact was developed to encourage participation from organizations in a variety of sectors, such as non-governmental organizations (NGOs), other UN agencies, business associations, academic institutions, labor organizations and private business. These organizations formed a multi-sector partnership, which essentially works to achieve the common goal of addressing human and environmental rights issues through their organizational operations. The global compact encourages these organizations to facilitate the use of the most applicable of the ten stipulated compact principles into their business operations. Participation in the global compact could be viewed as a proactive measure on the part of the participating organization because of its voluntary nature. Furthermore, participation in the global compact has the potential to reaffirm the organization's commitment to social justice and human rights through the endorsement and use of the compact principles. Finally, it is possible that this participation demonstrates the organization's long-term interest in satisfying more than financial outcomes.

There have been studies that have addressed the relevance and the effectiveness of the global compact in the current business environment. However, most of these studies have not examined how the leadership or dominant coalition[1] of an organization came to recognize that joining the global compact was to their benefit. Moreover, these examinations have not identified how members of the dominant coalition have begun to make use of their involvement in the global compact, nor have they determined how these participating organizations have integrated the compact principles into their business practices.

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This study incorporated an interpretive approach to explore the senior-level executives who form the dominant coalition in these two international public relations agencies that participate in the global compact. Specifically, this research was developed to identify how these senior-level executives:

- decided that joining the global compact was beneficial and necessary for their agency;
- integrated the ten compact principles are integrated into agency's operations and negotiated their use; and
- how in-depth the agency used the compact principles within the organization's practices.

In terms of the situational theory, the concept of problem recognition was developed in order to identify the process in which people determine that there is a situation that needs to be addressed. This concept also includes consideration of what steps should be taken in order to deal with an issue. The second independent concept of constraint recognition seeks to explore how these parties determine the stumbling blocks that might impede their ability to properly address the situation. The final concept, level of involvement, examines the connection that people feel to the situation that they are confronting, and precisely to what level they have engaged with the message.

### Research questions

- RQ1.* What dynamics led the dominant coalition members in these international public relations agencies to initiate participation in the global compact?
- RQ2.* What obstacles did these individual dominant coalition members identify as challenges to their agency's participation in the global compact?
- RQ3.* To what extent are the ten compact principles integrated into the work of these agencies?

### Theoretical framework

The use of the situational theory of publics is incorporated into this research to help situate the conceptual underpinnings of the study. Situational theory originated out of the positivist paradigm and has traditionally been incorporated into quantitative studies. Although this has been the case for quite some time, the independent concepts[2] of problem recognition, constraint recognition, and level of involvement have been applied within a qualitative study to identify how dominant coalition members – within their agencies – initiated participation in the global compact, what obstacles emerged that might have hindered participation in the global compact from occurring, and to what extent the agency has integrated the ten compact principles within their agency operations. *RQ3* seeks to develop an understanding of how in-depth the ten compact principles were included into the agency's business operations.

Over time, situational theory has been reinvented, but was initially used as a way to examine the management viewpoint of the public relations practice; specifically as a tool for segmenting and communicating more effectively with desired and intended publics. Recently, the theory continues to undergo many transformations along its path of development. From primarily being used in studies that examined public relations from

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an organizational-management perspective, it continues to be broadly applied and studied in various contexts and methodological approaches. Since public relations professionals often use campaigns to communicate with various publics on issues, goods and services, it is necessary to identify significant publics that are most closely related to the messages that are being communicated. Not only is selection of target publics important, but determining the channels that will be most effective for the communication of these messages are also critical to the success of a public relations campaign. A public is best defined as, “[. . .] a homogeneous group of people who face and recognize a similar problem and organize for action” (Grunig, 1997; Grunig and Hunt, 1984; Grunig and Repper, 1992, as cited in Sung, 2007, p. 177).

The situational theory of publics incorporates three independent variables and two dependent variables in order to “[. . .] forecast the differential responses from publics to important issues. These variables are situational in that they explain the cognitions, attitudes and behaviors that individuals have of specific situations” (Sung, 2007, p. 177). The independent variables consist of:

- problem recognition;
- constraint recognition; and
- level of involvement,

and the two dependent variables are:

- (1) information-seeking; and
- (2) information-processing.

Problem recognition encompasses how individuals who pursue and are actively engaged in a particular concern or issue fall into the category of information-seeking, while those who are passive bystanders of information are more aligned with information-processing behavior.

Senior-level executives were examined as being members in their agencies’ dominant coalition. Therefore, the three independent concepts of situational theory of publics were used to examine these dominant coalition members as a public of the UN Global Compact. The goal was to identify:

- the events that prompted their agency to pursue participation in the global compact;
- what, if any, challenges emerged before the agency could fully participate in the global compact; and
- how each agency had begun to incorporate the ten compact principles into their business functions.

While the situational theory has its origins in quantitative studies, a new generation of scholars are beginning to emerge and contest the status quo. For instance, Aldoori and Sha (2007) argued for further exploration of the theory using qualitative methods. Pompper (2005) contests “[. . .] the positivist paradigm – assuming a stable, law-like reality by using primarily quantitative methods – remains the institutional norm for prestigious academic journals and for policymakers” arguing that the interpretive approach allows scholars to explore alternative avenues and bring overlapping and divergent experiences to the surface that address a particular phenomenon. Because of

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this shift, there has been gradual progress in the acceptance of qualitative approaches in mainstream public relations research, and although this evolution has been slow, the advocacy for more interpretive studies in the field, has not been in vain. Addressing the growing difficulty in obtaining quantitative data, Aldoori and Sha (2007) also found that soliciting feedback from participants and respondents using survey methodologies in situational theory-focused research became a daunting process. Therefore, the use of qualitative methods would provide the researcher with “ways to gauge publics’ levels of problem recognition, involvement and constraint recognition” (p. 349).

Going beyond merely advocating for such a position, there are scholars who have demonstrated through their own research, that the timing is right for further interpretive work using the situational theory of publics. The opportunity to use the situational theory as a qualitative approach has been initiated from both established and emerging scholars in the health communication sub-field. For instance, Aldoori (2001) conducted a qualitative study, which included five focus groups and ten long, in-depth interviews among women from a variety of socio-economic and ethnic backgrounds to better understand how they made meaning of health campaign messages. Similarly, Vardeman (2005) conducted a qualitative analysis of the situational theory using focus groups and in-depth interviews to assess the level of involvement of women in response to cervical cancer prevention messages among racially and ethnically diverse women. In addition, Curry (2007) combined the use of Black feminist epistemology and situational theory to conduct in-depth interviews to examine the meaning making of African-American women and their involvement with HIV/AIDS health communication. These health communication materials used in Curry’s assessment included mainstream media campaigns, such as the partnership between Black Entertainment Television (BET) and the Kaiser Family Foundation’s Rap-It-Up, which exclusively targeted the African-American population.

Although these researchers appear to have been the first to initiate this approach, there have been suggestions for extended qualitative research in public relations research for quite some time. For instance, Sriramesh *et al.* (1996, p. 232) suggested that, even in terms of examining organizational cultural aspects of public relations, “empirical and interpretive scholars have disagreed about whether the concept can be measured quantitatively or whether it can be interpreted only on the basis of qualitative observation.” However, the authors asserted that while they have incorporated measures from a largely positivist approach, they agree that “for many areas of research, culture should be measured qualitatively” (p. 232).

## **Review of relevant literature**

### *CSR and coalition-building*

While it is imperative to describe the activities that constitute a CSR program, it is similarly important to identify and review some of the seminal definitions of the concept. Therefore, in order to appropriately place the context for the proposed research, this section will define the concept of CSR, as well as discuss its application and influence on the public relations practice. Carroll (1979, as cited in Pirsch *et al.*, 2006, p. 126) posited that CSR – as a construct – “[...] encompasses the economic, legal, ethical and discretionary expectations that society has of organizations at a given point in time.” Furthermore, according to Pirsch *et al.* (2006, p. 126), Carroll also “argued that these responsibilities are not only performed for the firm’s sake, but also

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for the sake of society at large.” Ledingham and Bruning (2001, p. 527) indicated that “although the relationship [that is formed through community involvement] is mutually dependent, it is not necessarily mutually beneficial.” This means that any involvement in a community setting must be carefully planned as to maximize the benefit to both the community that is receiving the benefit, as well as to the company, so as to maintain their status within the community in which they operate.

When the global compact was initially established by former Secretary General, Kofi Annan in, 1999, it seemed like a partnership from which both parties – the organization and participant – could benefit, especially in light of the rise in activism during the mid-1990s against globalization. Perhaps, this is because, as noted by Deva (2006, p. 110), corporations may have begun to think that “this partnership could somewhat soften the resistance that they were facing from anti-capitalism, anti-WTO and anti-globalization movements.” The UN Global Compact was developed to provide an avenue for the UN to address and persuade action from a formative coalition of multi-sector signatories, which are brought together and assembled in order to confront corporate citizenship and development issues around the world. In addition, the global compact has experienced rapid growth among its participant base. For example, there were over 2,000 companies and organizations from over 80 countries (Global Compact Office, 2005), and the most recent figures, as of June 2007, report that there are now more than 4,000 participants from more than 100 countries (UN Global Compact, 2007).

Consisting of diverse signatories/members, the global compact initiative actively encourages participant organizations and their executive leadership to enter into a voluntary partnership to maximize societal benefits, by endorsing and effectively integrating the guiding principles of the program philosophy into their daily business practices. Four themes were established, and within those, ten compact principles emerged. Addressed in the Global Compact Office (2005) literature, the principles are developed around and address concerns related to human rights, labor, the environment and anti-corruption. Sustained participation in the global compact is contingent on the organization’s timely submission of annual Communication on Progress (COP) reports, which became a standard practice in 2005. These documents are mandatory and specifically outline how the participating organization has used the selected compact principles – based on their organizational needs – to develop their practices and tasks. In addition to providing basic information on how the global compact influences the organization’s business functions, the COP documents, they help to preserve “the integrity of the initiative, but also builds the Global Compact brand and the broader business case for corporate citizenship” (UN Global Compact, 2007, p. 51).

Williams (2004), in a study that examined both praise and criticism of the global compact, began his analysis with a discussion of how the initiative came to fruition. In doing so, the author stressed that the compact was developed as a voluntary process, however “US businesses, for the most part, have not signed on.” There could be many reasons for this. Perhaps, the most glaring cause is the litigious nature within the USA. Aside from fear of having their organization’s so-called, “dirty laundry” aired for public scrutiny, most companies tend to remain hesitant on the issue of the global compact and instead opt to funnel energy, time and financial support to the development of their own charitable activities and causes. Another possibility as to why more US-based companies have not signed on to the compact surrounds the issue of how to precisely measure accountability standards. In this regard, most of the criticisms are coming from



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scholars who study codes of conduct and “see the Compact as another code without accountability, a public relations document without substance” (p. 757). Still, those who suggest strengthening organizational codes of conduct must be well aware that, even in spite of the best intentions, wrongdoing could occur at any time by a variety of organizational actors. A code of conduct is merely a composition of words strung together and placed on a corporate web site; unless organizational leadership give it meaning and value by their actions and behavior, then it is highly unlikely it would be strictly adhered to.

Though the global compact is praised as a well-intentioned program for global social responsibility, Prasad (2004) argues that the compact has largely been more beneficial to developed nations, rather than those who are in dire need. In his specific analysis of the Pacific Forum Island countries; in countries such as Papua New Guinea and the Solomon Islands, he asserts that the majority of the environment in this location is still very much fragile, not having the basic necessities such as “clean water, sanitation and access to health and education.” Additionally, markets are restricted in what they can do, locally, for citizens (p. 66). The truth of the matter is that the global compact is not a quick-fix, nor is it a utopian solution to a multifaceted problem that has existed for quite some time. Nevertheless, the initiative should be understood as a work in progress and recognized as one of the few large, international organization that has been successful in fostering such an endeavor. Using the premise set forth by Therien and Pouliot (2006), the global compact can be viewed as an expression of an emerging trend of international cooperation. Whereas for decades, the business sector was seen by UN agencies as contributing the problem of development, it is now considered as part of the solution. Because of this change in thinking on the part of the UN, the global compact stands out because it offers an opportunity to build a coalition among the private sector and the UN to encourage partnerships and diplomatic efforts.

### **Methodology**

Overall, a single embedded case study was developed which included three subunits of analysis:

- (1) in-depth interviews;
- (2) primary document analysis; and
- (3) secondary document analysis.

In-depth interviews were conducted with one senior-level executive from each of the two agencies that were examined. Primary document analysis focused solely on the COP reports which must be submitted on a bi-annual basis by every global compact participant. Secondary document analysis included any agency-produced materials, such as speeches/presentations, as well as articles written for business publications.

Interviews lasted between 30 and 45 minutes, and used a semi-structured interview protocol. Questions were developed around the three independent concepts of:

- (1) problem recognition;
- (2) constraint recognition; and
- (3) level of involvement.

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In terms of identifying the issues that relate to problem recognition, the research participants were asked about how the management and leadership in the agency arrived at the decision to join the global compact and how they felt about their agency's participation in the global compact. Since constraint recognition identifies what obstacles might prevent change from occurring, participants were asked questions about how others in dominant coalition assessed the worthiness of joining the global compact, and what steps were taken to determine how the compact principles would be integrated into the agency's practice. Two COP reports were analyzed from each agency. Also, a third document which was not characterized as a COP, but rather a case study from that agency's work with the Global Compact Learning Forum, was included because it was listed among the COP reports. It should be noted that these COP documents are purely self-reported data from the agencies. Aside from this fact, these COP reports do provide a starting point in understanding how organizations that participate in the global compact say how they have adopted and integrated the most applicable of the ten compact principles into its operations. Secondary document analysis examined and described the additional documents that were provided by each agency executive.

In order to adequately address the desired goals of the research, open coding techniques to both the interview and document data were applied. In terms of the in-depth interviews and the document analysis, this analysis integrates "the initial, unrestricted code of data, where the analyst usually goes through the text line by line and marks those chunks of text that suggest a category (Lindlof and Taylor, 2002, p. 219). Specifically, the data were framed around the research questions and theoretical frameworks that were integrated to drive this research. After the completion of each interview session, the participant's responses were fully transcribed and examined to establish patterns or themes that emerged. Interview data that corresponded to the situational theory of publics concepts of:

- problem recognition;
- constraint recognition; and
- level of involvement,

were assessed by applying a textual analysis.

Textual analysis was selected over traditional content analysis because the latter tends to "obscure the interpretive processes that turn talk into text" (Denzin and Lincoln, 2000, p. 640), while the textual approach allows for greater understanding of the social world that is being observed.

## Results

Both Ketchum and Ruder Finn were two of the first American-based, international public relations agencies to become active participants in the Global Compact in 2001 – a year after the initiative was formally launched. Since that time, both agencies have pursued integration of the compact principles through both similar, and diverse ways. What sets these agencies apart from the more than 3,500 corporate participants, is that the work of their organizations is not rooted in the manufacturing of products and services – at least in the traditional sense. For instance, neither Ketchum or Ruder Finn produces computer hardware or apparel. However, international public relations



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agencies are in the business of creating and disseminating strategic communication – on behalf of their clients which do include manufacturing companies.

Although many of the compact principles are more in keeping with manufacturing companies, public relations agencies must still consider the most applicable of the ten existing compact principles that might fit into the overall operation of the agency. In a preliminary examination of the interview transcripts and documents that were examined, involvement in the global compact was focused to occur on two levels within the agencies. On the internal level, there are a number of compact principles, particularly those that relate to labor practices, which are applicable and can potentially assist in the shaping of organizational policies and initiatives within the agency. On the other end of the spectrum and from an external perspective, the results have suggested that while they are not able to integrate the use of all ten compact principles, these agency executives have used their participatory status in the global compact to educate and counsel current and potential clients as to the benefits of belonging to an international initiative.

#### *Agency motivation for joining the global compact*

The first of the three independent concepts of situational theory, problem recognition, revolves around the identification and understanding of how a situation, or in this case, an opportunity is discovered. Although the point at which these agencies officially became participants in the global compact is significant to this research, the theoretical framework also suggests that the desire to seek further information about the problem or opportunity must be present in order to proceed with taking action. Therefore, it was just as important to understand what events led these agency executives to pursue participation in the global compact.

Additionally, Grunig posited that based on the circumstances involved, decision makers will determine how to proceed based on the analysis of events that prompted a move in this direction and the information that was obtained. As such, the first research question was developed around this theoretical concept of problem recognition, and sought to lay the foundation for understanding how leaders in American-based, international public relations agencies decided to pursue participation in the global compact.

During the in-depth interview sessions, a series of questions were asked of these senior-level executives that directly related to how the agency arrived at the decision to join the global compact. While the primary questions asked how the members of the agency's dominant coalition decided to join the global compact, there were follow-up questions that sought to extract additional information as to the identity of other key decision makers who might have played a role in this process. Specifically, speaking to his agency's decision to join the global compact, one executive said:

It was a natural decision to become part of an organization that would promote the concept [of corporate social responsibility] not only domestically but globally; to contribute to that organization in terms of the experience and acumen that we had acquired of the many years; it certainly was a place where our expertise could be exhibited.

In contrast to the first agency's motivation for joining the global compact, the response from the second agency executive interviewed suggested that this agency's participation in the global compact emerged "in an unusual way," through a previous interpersonal relationship between the agency's Chairman, David Finn, and Former Secretary-General Kofi Annan. Because of this close relationship, this agency executive noted:

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We worked closely with him [former Secretary-General Kofi Annan] on different projects and when his idea of the Global Compact came up, we were strong supporters. We actually did some PR work to publicize this program.

*Perceived obstacles to participation in the global compact*

The second independent concept of the situational theory, constraint recognition, rests on uncovering what if any obstacles or protests there may have been to the acceptance of a particular message by the intended audience. In analysis of this second concept is also when hesitation might arise because individuals feel limited in terms of their ability to influence a situation. In this research, this concept of constraint recognition was examined by asking the interview participants if there were individuals, specifically those in positions of power, who voiced opposition to the agency's interest in participating in the global compact. In the event that responses were not as detailed, accompanying questions sought to uncover if interview participants had personal concerns that the voiced about participation in the global compact, what those exact issues were and how they were resolved.

On a broader level, the participants were asked if:

- there were other members of the dominant coalition who were not in favor of joining the global compact;
- what issues were raised during the discussion and how did they bring to discussion; and
- how their concerns were addressed.

While both participants noted that there was virtually no existing hesitation to the compact, they did note difficulties on the part of the organizations, mostly corporate, to which they frequently provided counseling services.

On the issue of whether or not there were individuals in the organization who voiced concern and protest against the agency's participation in the global compact, the interviewee indicated that while the internal process of joining the global compact "moved up the chain very rapidly," there were some difficulties in terms of legal department necessitating an evaluation of the agency's liability, if any, would surface because of the participation in the global compact.

For instance, some companies that are clients that represent American-based multinational corporations are hesitant to join the global compact because of the legal atmosphere in the USA. Particularly, there has always been a culture that relies on vigorous litigation, especially as it relates to and involves large, multi-billion dollar corporations, and because of this, the agency executive said:

[...] that is why if you study the membership rolls, you will find that American-based companies are not as heavily represented in the membership ranks as companies that are headquartered in Europe or Asia.

Furthermore, he added:

That is largely a question of the legal counsel officers in many of these companies who have raised concerns about what truly membership in the Compact represents, and what obligations it really requires, and whether there are legal commitments that could be costly and could be difficult to implement. So that was not a problem with us but with some companies that has become a problem. The Compact has addressed that in terms of securing a letter from the American Bar Association, which I think ameliorates some of those concerns.

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*Integration of the compact principles into the agency business*

In addition, one of the interview participants openly discussed how agency employees in other practice areas had no genuine knowledge or insight into the agency's involvement in the global compact. Because of this, the agency is seeking to increase internal awareness of the global compact by developing a new campaign that will specifically target all agency employees. The overall goal is to make employees more of the central focus for the application of the compact principles because "[. . .] it is based primarily on seeing to it that our employees around the world understand that we indeed do want to walk the talk". In addition, he also added:

It is not a matter of simply advising our clients, but that we want to act responsibly and so we will be encouraging our employees to be much more environmentally conscious; they are, as well. A lot of this program development is really responsive to the initiatives of employees themselves, who want to work for a company that clearly, not only meets the standards of the Compact but in day-to-day operations – to use a terribly overworked word – that it is truly green. So we are working at that and we will have a comprehensive program that we will announce very shortly.

The second agency executive said that his agency's emphasis on integrating the compact principles, has been concentrated in:

[. . .] the communications area in terms of how we, first of all promote the Compact. Second, how we encourage our clients and others to join the Compact and we generally operate in a corporate responsibility mode.

Analysis of the interview data and COP documents indicate that dominant coalition members determined that there was some level of difficulty in integrating the majority of the ten compact principles into their agency's practice. Both suggested, in the interview sessions, that although communications firms do provide a service, they differ from corporations that manufacture consumer goods, such as apparel or food products. They also implied that the compact principles are of more use to such corporations, and because many are clients of their agencies, they counsel clients on the benefits of participating in the global compact.

Of the two agencies examined in this research, Ketchum's approach to engaging in the global compact appeared to take a more holistic approach. Among the two sets of available COPs, the documents provided by Ketchum were much more exhaustive in terms of:

- (1) describing what the agency has done to address the current compact principles as well as; and
- (2) outlining other initiatives that the agency has pursued on its own accord that would be commendable by global compact standards.

While Ruder Finn's COP did not engage in as much detail as Ketchum's COPs, they engaged in a somewhat thorough description of each enterprise that the agency has pursued in the spirit of the global compact. In particular, various programs including a global HIV/AIDS campaign in China and an integrated marketing communications program to support the sale of baskets made by Rwandan women were included in this COP installment. Overall, these programs adhere to the compact principles, and though specific compact principles are not identified by name, these initiatives most closely relate to the principles that address human rights.

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While the COPs provided a fitting introduction as to how these agencies have negotiated their participation in the global compact within their respective organizations, secondary document analysis was adapted towards comprehension of how the agency's commitment to upholding the compact principles converged with documents that emerged from speaking engagements at trade association meetings, and through articles composed by agency executives. The glaring difference is that Ruder Finn's COP lacks the detail of Ketchum's COP.

#### *Secondary document analysis*

The secondary documents collected were analyzed using the same criteria applied to the primary documentation. These documents are also self-reported, and extend the information that was retrieved through the COP reports. In the Winter 2006, issue of *Corporate Responsibility Officer*, which is described as a "useful editorial for executives faced with making corporate responsibility decisions for their organization" (Paluszek, 2007), an article was written by one of the agency executives who participated in this research. The paper was shared as a way to demonstrate how this agency has worked to involve the mission of the global compact into the goals of the agency, but to also convey those sentiments and provide valuable advice to other CSR officers. The piece emphasizes how to approach engaging in dialogue with the other senior-level executives, notably those with a high degree of decision-making ability, about CSR issues. Although this paper is appropriately targeted towards individuals who develop CSR programs, the publication's existence speaks to the embrace among corporations to take CSR programs and initiatives seriously. In addition, the walls that once guarded chief executive officers (CEOs) and other top executives from the general employee population are coming down as a result of corporate scandals and ethics violations. Therefore, corporate leaders those have begun to understand the necessity of communication, with both their internal and external audiences.

Moreover, this piece accentuates the continuing conversation on CSR initiatives. However, the paper barely mentions the benefits of participating in the global compact. Specifically, the global compact is only mentioned once when the author identifies the various organizations that are leading the charge in the CSR arena, including The Conference Board and The Business Roundtable. One of the reasons for this might be because the intent of the paper is to not necessarily convey to readers that the need to convince the CEOs of their organizations to buy into the global compact, but rather start down that path by merely having an open dialogue about CSR with their organizational leadership.

Attempts were made to search, through the use of the internet, and by contacting the executive that was interviewed from Ruder Finn to request any additional documents. These internet searches for agency-produced search were unsuccessful in obtaining external materials that would speak to Ruder Finn's ongoing involvement in the global compact. The difficulty in obtaining additional documentation that spoke to Ruder Finn's involvement in the global compact suggests a larger problem. First, it exhibits neglect on the part of agency leaders to ensure that its voluntary obligations are being met by providing data that is only required on an annual basis. Second, it brings up the issue transparency and how many American-based corporations continue to see full disclosure of financial or other corporate information as insignificant. Finally, the inability to locate pertinent documents from these agencies reinforces the negative perception of the public relations practice, while making it all the more difficult to encourage change.

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*Independent sources: criticisms of public relations and the global compact*

As addressed in the literature review, generally views on the global compact and many of its participants are mixed. For example, there are factions that support the organization and what it is attempting to do because they, as suggested by Soederberg (2007, p. 502) “believe that voluntary measures are more effective and viable in achieving socially accountable behavior than regulatory means.” In contrast, others emphasize the initiative’s shortcomings and call for further enforcement among participants if the organization is to be truly committed to addressing social issues. For instance, in a critical assessment of the global compact, Soederberg (2007) indicates that too much of the analysis that has examined the global compact thus far and praised it for its initiatives, has spent an overwhelming amount of time on its problem-solving potential, and fails to analyze the partnership through a critical approach, “which would seek to explain social change by making sense of the underlying contradictions and struggles associated with the UN strategy of corporate citizenship” (p. 503).

Therefore, this section extends the discussion of these concerns to examine and understand the:

- criticisms aimed at the global compact in general; and
- critics who specifically examine the participation of public relations agencies in the global compact.

By engaging in this discussion, it will provide an understanding as to why the global compact continues to be criticized by NGOs and activist groups. Currently, the overarching criticism is that the global compact is nothing more than a comprehensive public relations campaign for participants and lacks any significant ability to influence change in business practices among corporations. Reinforcing this idea, Furchtgott-Roth (2007) explained in a *New York Sun* article that:

[...] the vast majority of American companies do not participate. For the corporations that participate, the benefit is supposedly public relations, particularly for corporations with spotty records on labor and the environment.

Another resource that focuses on critiquing the global compact, is the Global Compact Critics weblog, which is an extensive site which includes a wealth of information that is updated regularly (primarily on a daily basis) and is critical of every facet of the global compact organization. The site is managed through The Netherlands-based, Center for Research on Multinational Corporations and is described as:

An informal network of organizations and people with concerns about the UN Global Compact. On this blog we gather and share information about the global compact, partnerships between the United Nations and companies, and corporate accountability. It is not a database, but rather a collection of opinions, news items and background information (Center for Research on Multinational Organizations, 2008).

In early 2008, this weblog reported and provided a link to a press release on the global compact’s web site which indicated that the organization moved to permanently removed nearly 400 corporate participants who had not provided a COP report in more than a year. This move comes shortly after “the initiative’s multi-stakeholder Board meeting in November 2007” (Stuatsburg, 2008). Also in regard to the controversy

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surrounding the COP reports, the weblog contained a *Financial Times* article from mid-January in which Mackintosh (2008) reported that investors of some European companies have protested the lack of oversight in submitting timely COP reports, and accuse nearly 80 companies of “breaching pledges to a United Nations agreement on society and the environment by failing to publish progress reports.” The mixed results of these agencies involvement in the global compact suggests that the public relations field has quite a distance to go in changing the perception of the practice. Those on the academic side of public relations understand that the practice is not truly about spin or manipulation, even though these are the roots that have defined it.

### **Discussion and conclusion**

Overall, the findings revealed that among the two agencies, Ketchum is currently pursuing a more holistic approach to integrating the compact principles into their practice. Not only did they report that they are actively advising clients on the benefits of involvement in the global compact, but also the agency executives who were most invested in this pursuit, frequently sought additional ways opportunities outside the agency to strengthen its commitment.

In the analysis of problem recognition, neither agency executive indicated that a significant event, such as a crisis, led either agency dominant coalition to participate in the global compact. Instead, Ketchum’s executive suggested that his agency wanted to reaffirm and strengthen its commitment to address the issues that the global compact promotes. To fulfill this goal, the agency had begun to explore internal avenues for emphasizing the importance of the global compact to employees to reiterate that they must practice what they preach. In contrast, the Ruder Finn’s executive noted that his agency’s participation in the global compact stemmed from a pre-existing, interpersonal relationship between the agency’s chairman and the former-secretary general of the UN. And based on the minimal information obtained through the interview data and document analysis, it seemed that there was very little support for the global compact within this particular agency among leaders and employees. This void in documentation that could have spoken to this agency’s overall role and specific level of involvement in the global compact was alarming, especially when the personal connection of this agency to the global compact and its founder is considered. Furthermore, this lack of information raises concerns about the level of commitment, not to mention credibility, this agency has for using their skills and abilities to adequately address the themes that the global compact supports.

In terms of constraint recognition, both agency executives noted that there were no major internal obstacles that hindered their plans to join the global compact. However, the agency executive from Ketchum did point out that legal counsel required a review of the global compact materials before they could officially endorse and participate in the initiative. If there were additional constraints that might have presented a problem for either agency to participate in the global compact, they were minimal and not addressed by the agency executives during the interview sessions. Part of Grunig’s situational theory assumes that the absence of or few constraints which can hinder the ability to become involved in addressing a problem or opportunity would result in a higher degree of involvement. While there was some support for this, the findings were not unanimous. For example, both agency executives agreed that there were very few internal obstacles when participation in the global compact was sought. However, the findings also



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revealed that the lack of numerous obstacles does not automatically translate to extensive involvement.

This minimal integration of the compact principles into these agencies practice of public relations, at this point is inadequate. Not only was there no information available for this research that could confirm and reveal how the compact principles were used in client sessions, but also it calls into question the true motivation for these agency's involvement in the global compact. The question also remains if these agencies joined the global compact precisely because they saw their participation as less risky because they do not manufacture consumer products, and are thus, less liable than other corporate and/or business participants. In addition, this research reinforced the need for public relations professionals to aggressively advocate for greater transparent measures to be developed and enforced within their organizations. It would also be fruitful for professionals to be introspective of how they handle their daily tasks and projects to reflect on how they might modify their own behavior. Overall, the involvement in international CSR programs and activities are commendable, but this participation is futile if professionals are not doing as they advise their clients to do. In fact, participation in CSR, without these changes to the public relations practice, are nothing more than a "spin" job and does a disservice to those actively involved in wanting to change the practice of public relations for the better.

On a broader level, future research initiatives in this area should continue to explore the relationship between the contemporary public relations profession and CSR programs – especially in the USA. The obstacles that confronted this research process in its early stages should be viewed as opportunities to widen the call for greater collaboration. Public relations professionals and academicians who study the public relations discipline must begin to bridge the gap if change is to be made possible. As it relates to public relations research, there are a variety of channels that are available for the application of alternative perspectives.

Moreover, future research can embrace the idea that public relations professionals can begin to use their talents and expertise to be more influential, especially to address social issues. While the public relations or corporate communications profession should not seek to diminish the contributions of other senior-level personnel, public relations practitioners are uniquely suited for the role because of the growing emphasis on relationship and reputation management practices. A viable CSR effort can act as a catalyst to extend symmetrical research because it has the ability to relegate the role of the organization as "part" of the community in which it operates, as opposed to being considered "the" entity that the community is centered around. This would facilitate greater two-way communication between the organization and its publics. Therefore, not only should future research continue to add to the general body of knowledge, but it should also provide useful prescriptions to professionals who are engaged in the daily practice of public relations.

## Notes

1. The term dominant coalition will be used to refer to group of people in leadership positions responsible for the organization's decision-making practices, specifically senior-level executives.
2. This study will refer to the situational theory's "variables" as "concepts" from this point forward, as to avoid using terms that are more commonly applicable to quantitative studies.

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