

CREATING VALUE THROUGH CORPORATE SOCIAL RESPONSIBILITY PROGRAMS

By Elizabeth A. Wall

Many law firms are adopting corporate social responsibility (CSR) programs as a means to gaining a competitive advantage over other firms. They are developing and utilizing these programs to promote and advertise yet another dynamic of their organization. CSR programs at law firms encompass sustainability, stewardship and environmentalism and are reflective of the triple bottom line -- people, profits and planet. These programs connect with all stakeholders, including individuals and organizations with a legitimate interest in a given situation, action or enterprise.

The key to creating a successful CSR program is to establish stakeholder value across the board. The primary stakeholders at a law firm include partners, associates, employees, clients, suppliers and the community. Addressing the concerns of each group as they apply to their individual needs will help the CSR program get off the ground.

THE VALUE OF A CSR PROGRAM

While opponents of CSR claim that these programs are being developed merely because of "greenwashing" and are nothing more than lip service, I believe that these programs cultivate green-conscious clients, employees and other individuals who do more than purchase legal services. As a result of CSR programs, stakeholders change their habits at work, at home and in their communities, therefore creating a positive environmental impact.

CSR programs support the philosophy that a firm can and should play an important role in addressing today's challenges facing the environment. Sustainable business practices are efficient and

assume stewardship for the earth and its resources with the goals of achieving a successful business operation, a healthy bottom line and sustenance of the environment and its inhabitants. A sustainable firm not only conserves resources but educates employees and clients about resource conservation.

A firm with a positive reputation for having a strong CSR program can attract and retain employees and clients better than firms without such a program. CSR programs assist in increasing the overall profitability of firms by making it easier for such firms to employ and retain top talent and maintain client relationships. Marketing the importance of the relationship between corporate social responsibility and the stakeholder's view of the firm will increase profits.

A firm's reputation is often set by its stakeholders. Stakeholders' demands are high and push the firm to be innovative and environmentally conscious. The perception of the firm within the marketplace, as well as its ability to meet the demands of clients, contributes to the firm's overall profitability. A superior firm reputation is both an intangible asset and a source of strategic advantage that enhances a firm's long-term ability to create value. A good firm reputation is essential because of the potential for value creation. Law firms without a positive reputation will find it considerably more difficult to win clients and attract talent.

With so many stakeholders it is hard for a firm to address each group's concerns. In order to be responsive to the stakeholders, a firm must understand where each stakeholder is coming from and address each group's needs.

THE NEEDS OF CLIENTS

Although no weight or ranking between stakeholders should be present, perhaps it is the clients that have the most influence over the firm's profitability. It is essential that the partnership pay particular attention to the client's expectations. Clients expect their attorney to be courteous, be considerate and possess a deep knowledge and understanding of their business and circumstance while negotiating their transactions or minimizing their losses. Clients also want their matters to be handled properly, having their attorney take care of their situation with integrity and efficiency. Matters are expected to be addressed with privacy, reasonable fees and innovative solutions. In order to meet the needs of the client, the firm should provide an established bill of client's rights.

The firm has a responsibility to invest in the best technology that allows the sharing of documents and information to keep clients informed. In order to keep the client up to date on the status of their matter, the firm should send progress reports and bills in a timely manner. As an added value to clients, firms should produce white papers and seminars that keep clients informed of issues that arise in their respective industries.

THE NEEDS OF ASSOCIATES AND EMPLOYEES

Associates and employees are as crucial to the firm's success as clients are. These members of the firm, regardless if they are an attorney or a marketing coordinator, are responsible for daily interactions with clients. Law firms must meet the basic needs of their associates and employees, including safe work environments and compensation/benefit packages that are in accordance with industry standards.

Associates and employees need to feel appreciated and valued. With the creation of a feedback program, operational efficiencies improve. Annual reviews and salary adjustments, based on performance and cost of living increases, ensure that the firm is taking the time to interact and provide feedback to each employee. As a result, employee self-esteem and performance will rise.

In some situations, a commitment to the growth of an employee includes training and educational reimbursement. Firms will have an easier time

attracting the best and the brightest if they return the time to invest in employee personal development plans. Firms should also establish an equal employment opportunity statement. The goal of such a policy is to provide equal employment and advancement opportunity for all qualified individuals without discrimination.

Firms need to think beyond what their employees can do for them. They need to allow job sharing, flexible work schedules and a pool of paid time off, so that employees can pursue interests outside the firm. Having a firm picnic or happy hour allows employees the opportunity to form friendships and bond with one another. These friendships and bonds increase loyalty and a sense of belonging to the firm.

THE NEEDS OF SUPPLIERS AND VENDORS

Suppliers, vendors and consultants are just as important in establishing how the business of a firm operates. Suppliers want to develop cooperative goals, interact constructively and communicate with their customers. A firm should sit down with all suppliers prior to starting a relationship with them; collaborate on what they expect of each other; and discusses how to create a mutually beneficial business partnership. Developing these cooperative goals with suppliers ensures both sides are satisfied and are living up to expectations. Supplier/client relations can often be strained due to unclear expectations. A firm needs to clearly lay out everything it wants and expects from suppliers and should commit to what will be done in return, so the relationship runs smoothly and is sustainable.

Vendors and consultants have the right to expect payment for services rendered in a timely manner. They have the right to charge fair market value for their services. Vendors and consultants should advise and suggest solutions or alternative services to offer the firm to if they cannot meet the firm's needs. There should be a mutually agreed upon termination clause so that the firm and the supplier can terminate the relationship if either party is dissatisfied.

THE NEEDS OF THE COMMUNITY

The community is just as important to a firm as the partners, clients, employees and vendors. As a result, the community has the same amount of needs for the firm to meet. A firm should survey the needs of the

communities where their offices are located and develop programs that meet the individual community's needs. In order to improve upon their reputation and increase profitability, a firm should support employee volunteer efforts. Firms should encourage all employees to get involved in activities that they personally believe in as well as corporate-sponsored events in the community. A firm should develop a pro bono program that will help organizations and individuals who cannot pay for legal service assistance.

The firm should support attorneys and employees stepping up for leadership roles in charitable, cultural and civic organizations in their own communities and in those communities with the greatest need for volunteer and pro bono legal services. Putting the same professional energy into community commitments defines the firm's character and culture.

CONCLUSION

Once a firm has established that a CSR program is beneficial for all stakeholders, the program can begin to take shape. If a CSR program is marketed properly it can be used as a recruitment and retention aid, especially when competing for talent.



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