

CORPORATE SOCIAL RESPONSIBILITY AND CREATIVITY¹

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Abstract: Creativity is important to corporate social responsibility (CSR) and to the very existence of any organization. Short separate descriptions of creativity and corporate social responsibility are presented. Then the two topics are connected and discussed.

Key words: corporate social responsibility, creativity, synergy

DRUŽBENA ODGOVORNOST PODJETIJ IN USTVARJALNOST

Povzetek: Ustvarjalnost je pomembna za družbeno odgovornost podjetij (DOP) in za sam obstoj katere koli organizacije. Na kratko opišemo oba pojma, potem ju povežemo in razpravljamo o njima.

Ključne besede: družbeno odgovornost podjetij, ustvarjalnost, sinergija

1. Introduction

One aspect of the relations between generations of different age is creation of conditions for creation of individual and corporate social responsibility, and vice versa. Therefore, we will try to put creativity and (corporate) social responsibility in interdependence, about which we have not found much publication so far.

2. Creativity

Creativity, which has been around since the beginning of time, is important for the success of any organization. It has been defined in many ways by different writers and thinkers. However, there is a common thread running through the various definitions. Creativity denotes a person's ability to produce new or original ideas, insights, or artistic products, which are accepted by experts. The essential element is that the outcome of creativity is both novel and valuable.

Being able to put together two seemingly unrelated ideas or things is also creativity. The first person who put the wheel and the chair together to invent the wheel-chair exhibited creativity. Another creative person came up with the idea of putting floats on a plane to make the sea-plane that can take-off and land on water.

Creativity also means finding alternative ways to do things. When it is not practical or possible to build a road straight up a mountain, then one must consider other options. Workers could build a road around it, cut a pass through the mountain, or dig a tunnel through it!

Three important components of creativity are the creative person, the creative process, and the creative product (1).

A creative person is considered to be one with ideas. This person consciously defines problems and looks for new ideas and fresh insights. He or She is usually energetic, confident, independent, adventurous, and takes risks.

Creativity as the process includes the thinking and acts that take place to produce an original item. The four main steps in the creative process are preparation, incubation, illumination, and verification. Preparation is the stage where the groundwork is laid. One does research, gathers background information and carries out other necessary tasks. Incubation refers to taking a rest period, where the total process is

¹ This article is dedicated to Professor Dr. Roger Haw by co-author Professor Dr. Dana Barry.

turned over to the subconscious mind. Illumination is the AHA! This is the experience of getting insights, possibilities, answers, and the great idea! Verification is the step where one takes the idea through a checklist of criteria so that it can be modified and improved.

The final component of creativity is the new product. It may be an original invention, recipe, song, poem, painting, toy, movie, book, machine, or other unique item.

3. Corporate Social Responsibility (CSR)

There is no set definition for corporate social responsibility (CSR). However, it is considered to be the positive impact that a company has on society. This positive impact may involve the environment, labor issues, human rights, health, education, and/or other topics of interest and significance.

One commonly used description of corporate social responsibility is the following. “The continuing commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large.” This statement was in a publication of the World Business Council for Sustainable Development (2).

To promote and reward the excellent practice of corporate social responsibility, Professor Dr. Roger Haw (Co-Founder of Ansted University) developed Ansted’s Social Responsibility International Award (ASRIA) and related programs with awards. These prestigious honors are presented to organizations, serving as ideal role models in the practice of corporate social responsibility. As a result of his outstanding work and leadership, Professor Dr. Roger Haw was recently selected by the CSR International Board as one of the TOP 100 CSR Leaders in the World.

4. Organizations and Creativity

Organizations must be creative to develop unique products in a timely manner and to design successful strategic, promotional, and marketing plans for them. **McDonald’s**, a popular fast food restaurant, continues to create new appetizing menu items, new games with prizes, and new desirable toys for children, to maintain a competitive edge in the world marketplace.

Casio, an electronics company, has the following Corporate Creed: “Creativity and Contribution.” For Casio, creativity means finding new ways to meet universal needs. For example, it offers teachers scientific calculators to improve the mathematical skills of students worldwide (3).

Sharp, another electronics company, has the following Business Creed: “Sincerity and Creativity.” In this case creativity means to promote progress by innovating and improving products. This company contributes to society by being the first to make products (such as special calculators, mobile phones, and digital copier printers) that meet the needs of a new era. It also designs and improves products by taking into account customers’ ideas and feedback (4).

Today’s problems are complex and lack straightforward answers. Therefore company managers need to adopt new ways of thinking to discover solutions. It is not just about math and science anymore. Now it also involves creativity, imagination, and innovation. Corporate recruiters are hiring creative workers and promoting creativity in their organizations. Some are awarding creativity by special awards.

One unique approach is for companies to enable human creativity by engaging the imagination of all personnel within the organization, regardless of sex, race, or position (5). This full participation concept helps to identify new business opportunities, to foster human growth and development, and to satisfy an individual’s need to contribute.

Satoshi Seino, president and CEO of **East Japan Railway**, is creatively pursuing the company’s goals to satisfy and meet the needs of society (6). His challenges include safety, sustainable growth, and environmental responsibility. East Japan Railway operates about 13,000 trains and carries 17 million people every day over approximately 5,000 miles of railroad line.

Safety doesn’t seem to be an issue. The Railway carries over 6.2 billion passengers annually, with a very low number of fatal accidents each year. Statistically it is one of the safest railroads in the world. However, Seino would like to bring that number down to zero by spending money to creatively design and install automatic entry and exit gates on the railway platforms. He wants to increase the trust and safety of his customers (society).

Seino's vision includes creative renovations of the train stations to increase revenues and to improve customer satisfaction. As a result, department store – like shopping areas, restaurants, cafes, and hotels are being built in and near the stations. This makes the stations themselves attractive destinations.

Another creative idea, is the Railway's little green card. There are about 26 million of these prepaid cards in circulation. This unique form of money is accepted at the train stations and at more than 50,000 stores in Japan.

East Japan Railway is also taking the responsibility to protect the environment. Its carbon dioxide output has been reduced 23% since 1990 and its goal is to achieve a 50% reduction by 2030. In addition its newly designed railcars are lighter, more efficient, and reduce both fuel costs and noxious emissions.

Lego Group's CEO used creativity to save the company and to excel in corporate social responsibility (7). In 2004 when Jergen Vig Knudstorp took over as CEO, the Lego Group was in trouble. This Danish toy making company needed to stop sales decline, reduce debt, create a new image, and make money. To accomplish these tasks, Jergen created a strategic plan (with a series of different leadership approaches) and carried it out. First he gained the confidence of everyone at the company by directly talking and sharing ideas with them. Next the management team determined the importance of the company's products. They found that their core product (plastic toy bricks) had a unique design to help children learn systematic creative problem solving skills, which are necessary in today's changing world. Then they took a calculated risk and entered the competitive market to be the biggest and the best.

The key to this company's success is the power of customers' contributions. Today the company has about 120 staff designers and about 120,000 volunteer designers. Lego Group values and rewards customers' ideas and encourages individuals to design their own products.

A Circus (examples: Ringling Brothers and Barnum and Bailey) uses creativity to exist and to entertain the global society. It usually begins with a ringmaster welcoming the audience to the "Greatest Show on Earth." This show has to evolve in order to survive. The business must recognize and adjust to the changing needs of the world. Of course, traditions to uphold are the quality of the acts and the spectacle they create. When people go to a circus, they expect to see extraordinary things that are very exciting. Therefore, the sustainable circus must be created in such a way that it continues to captivate the love and interest of children everywhere.

Customer-driven, cause marketing is becoming a common form of corporate social responsibility. It uses creativity so a company can make money while being socially responsible. An excellent example is Sunkist Take a Stand 2006 (8). First a child purchases a lemonade stand from Sunkist. Then he or she sells lemonade to raise money for a favorite charity. This program has been successful in raising thousands of dollars for national and local charities. It has also been great for the children and good Public Relations (publicity) for Sunkist.

5. Concluding Statements

Creativity is important to all businesses, whether they provide food, entertainment, transportation, or educational materials. It is essential to corporate social responsibility and to the existence of any organization. Companies must be creative in order to compete in the marketplace and to continue developing products for a changing global society.

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