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Environmental Sustainability Through Corporate Social Responsibility

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ABSTRACT

This paper pondered on the Corporate Social Responsibility (CSR) Communication of Starbucks Corporation. CSR integrates social and environmental responsibility of the company, anchored with Sustainable Development Goals (SDG) # 11 (Sustainable Cities and Communities) and # 12 (Responsible Consumption and Production). The purpose of this paper was to elucidate the company's role in environmental preservation through a robust CSR Communication campaign, discussed and critiqued. The study utilized secondary sources for data gathering, analyzed and interpreted using critical analysis.The result of the paper revealed that Starbuck's report can expand its sustainability efforts in the light of the company's strong advocacy on climate change. In achieving corporate expansionism, the paper provides robust knowledge on resilience and preservation for a resilient community.

INTRODUCTION

Starbucks Corporation is an American company with its main product, coffee, described as the main proponent of "second wave coffee", a movement that characterizes dark roasted coffee. Around 2000, third-wave coffee makers altered coffee blends with lighter roasts while today, the company uses espresso machines for safety and efficiency reasons. Also, the stores have expanded products to include salads, breakfast, merchandise/accessories, gift items such as mugs, and tumbler for various shopping needs of customers besides coffee. The company started in Seattle, Washington in USA and as of 2019, it serves about 30,000 worldwide locations. Its mission is "to inspire and nurture the human spirit"- one person, one cup and one neighborhood at a time.

Corporate Social Responsibility Program of Starbucks

The concept of corporate social responsibility has acquired significance when organizations are to integrate social and environmental concerns in their business operations (Kapur, 2020). In Starbuck's Coffee business, there are three pillars of the company's Corporate Social Responsibility (CSR) program: community, ethical sourcing, and environment (Vandeveld, 2017). On the community level, Starbuck's commitment to help agricultural farmers supplying coffee is astounding: ... as a company that relies on an agricultural product, it makes good business sense. And as a people living in the world, it is simply the right thing to do". Further, Fiscal 2007 CSR Annual Report reaffirmed its commitment to supporting coffee farmers, communities and the environment.

Next, Starbucks is committed to helping community stores in partnership with local non-profit organizations. For stores that help communities, Starbuck donates $0.05 to $0.15 per transaction. Starbucks Foundation with its focus on building communities, training opportunities are provided especially the youth, and inclusion in the workplace including diversity.

In terms of ethical sourcing, Starbucks contends that its company is committed to responsibly and ethically producing and purchasing their coffee, tea, cocoa, and products (Vandeveld, 2017). Success of the company is shared by farmers and suppliers who cultivate the soil and grow the products that the company endorses to the public. Ethical support includes fair wages and labor practices catering to community workers' well-being. This is grounded on ethical domain that sustains legitimacy of Starbucks through its connection to community stakeholders beyond gaining profit.

On the environmental front, Starbucks explains that the planet is "the most important business partner. Thus, CSR initiative includes LEED certified stores, recycling and conversation of water and energy, climate change advocacies. Next, Green building is an environmentally conscious initiative of the company that complies to green building standards of building constructions that include less waste, re-establishment of ceramic cups, wares for all its customers.

On the whole, Starbuck's CSR program is anchored on the company's theme of "people, planet and profit" which incorporates ethical, community and environmental domains previously discussed. Its CSR is globally

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influential because of its products and commitment to serve the community and society in general under the principle of "giving back to nature".

Starbucks company employs Model Two of CSR: Stakeholder Model that mainly addresses interests and concerns of various stakeholders it serves. Its stakeholders are divided into three: primary, secondary and public stakeholders (Bruhn-Hansen, 2012).

Primary stakeholders are customers and employees of Starbucks, shareholders/investors whose CSR motives focus on economic and ethical, strengthening the relationship between company and Stakeholders; and coffee farmers who supply the raw materials (coffee). Secondary stakeholders include media, activists, NGOs, corporate relationships that have certain interests in a company's CSR. For instance, NGOs are concerned on moments of connection at heart of the company's business, values that are holistic and addressing to ethical considerations beyond profit-seeking. Public stakeholders include US government and local communities. The government functions as a regulator in terms of the legal requirements of Starbucks, to wit, Coffee and Farmer Equity (C.A.F.E.) with social indicators. Then local communities include agricultural farmers that provide coffee products cultivated in various farmlands paid by Starbucks Corporation.

Another CSR model that the company employs is Model Three of CSR: Social Demandingness Model where the company ensures that social problems like poverty and joblessness are addressed as in the case of coffee farmers ameliorating themselves from abject conditions through income gained from coffee products at the same time Starbucks offers jobs and trainings to community people to join the workforce or by actual job placements of the youth through Starbucks Foundation.

LITERATURE REVIEW
CSR Communication
Starbucks CSR Communication is disseminated through its company website at www.starbucks.com. Its brand message is central to communication content which talks about company objectives and values shared by its members which become part of corporate culture because they are part from who they are. CSR communication is balanced with profitability and social conscience.

The company's CSR communication is centered on "Coffee, Menu, Coffeehouse, Responsibility, Card Shop" (Bruhn-Hansen, 2017). The word 'responsibility itself immediately reveals Starbuck's CSR displayed at its front menu of the corporate website. Other communication content includes "Global Month of Service", "It's time to give back", "Help us give away $4 million", and "We like together, let's give together". The main target audience includes secondary stakeholders of the company as the primary stakeholders (customers mostly) will always have alternative information to find. Within the website, subpages for blogging are included for expanded awareness, wider reach of CSR initiatives and for stakeholders to comment on posted articles. This ensures dialogue between Starbucks and its stakeholders. Next, Web 2.0 technology such as blogs specifically targets company's loyal customers, employees, as well as bloggers, NGOs and activists, who want to share information on other social platforms (Bruhn-Hansen, 2012). These communications use hyperlinks in the navigation process. Within the community subpage of CSR communication, the Global Month of Service Link directs to Starbucks Community Service subpage that promotes company's ethical practices. Headlines like, "Let's make our communities strive", "By working together, we can create.. Join us in reaching our goal of 1 million community service hours per year by 2015. Such communication is targeted to employees and customers who are willing to spend anything to serve communities all over the world.

Finally, the responsibility subpage of Starbuck's CSR Communication has its headline, "We've always believed that business can – and should – have a positive impact on the community they serve", instigating an obligation of the company to serve community as its mantra. Multiple stakeholders are addressed in the responsibility subpage with various communication tools : videos, hyperlinks with animations, and text messages.

One company-specific factor that affects CSR communication is the "mental schemas" approach discussed earlier which signifies that company's reputable image is dependent on its past experience so that a credible CSR communication is related to a good image in the past while a sceptical stakeholder will likely question a CSR communication if its past experience is not good. In some cases, the product being sold by a company can also affect CSR communication credibility as in the case of sin products such as tobacco, alcohol that have bad human and environmental effects may affect a company's image. Next, large markets that impact society larger will have more pressure in their CSR communication because of the enormous impact they bring to the environs hence their activities are scrutinized.

Stakeholder-specific factors such as the sender, message context, receiver as part of communication process is interpretation. They affect the effectiveness of CSR communication because they also affect how stakeholders read those messages.

Finally, the company's corporate website indicates Starbuck's commitment to the community, support for coffee farmers, environmental concern and its support to diversity. With the company's multiple stakeholders with different concerns and needs, CSR Communication addresses different issues such as community, ethical sourcing, environment, diversity and wellness). Likewise, the company's emphasis on "we" culture envelopes teambuilding which is critical in establishing relationship with customers. It is also worth noting that CSR communication is a prelude to action with the company's many social and environmental issues highlighting its communication content.

Also, the Three Domain Approach (ethical, legal and

economic) indicates that Starbucks has commitment to uphold legal concerns with its contacts with various NGOs and ethical organizations, economic domain in its continued effort to increase economic gains while at the same time serving local communities by helping coffee farmers with their products.

Theoretical Underpinning of Starbuck's CSR Communication

Starbuck's Company's CSR Communication is underpinned by Management Theory highlighting managerial and organizational perspectives that guide the company's decision-making processes, managing communication with stakeholders as indicated in the various subpages discussed before. The process builds up relationship with stakeholders including analyzing, planning, programming and tactical strategies in upholding social causes.

METHODOLOGY

In the conduct of this study, secondary sources from the Internet provided the bulk of data gathering and interpretation especially coming from Starbuck's official website. Likewise, related studies on CSR were discussed and explored. Then, a critical analysis was employed following the issues raised from the data procured using a framework developed by the author.

RESULTS AND DISCUSSION

The following critique will be based on a Conceptual Framework the researcher developed for Starbuck's CSR Communication.
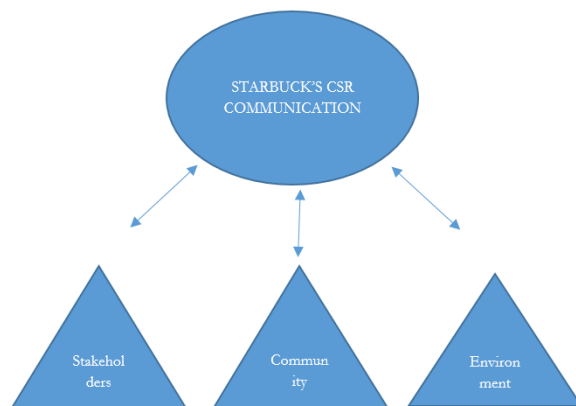

Figure 1: Starbuck's CSR Communication

The framework emphasizes two-way relationship between Starbuck's CSR Communication to its stakeholders, the community and environment as the two-directional arrows indicate. Based on the previous narratives, Starbucks is committed to serve its stakeholders (primary, secondary and the general public) with various CSR initiatives laid out by the company through its corporate website. For instance, blogs that specifically target secondary audiences (media, NGOs, etc.) indicate that the company is committed to interactions with media conglomerates and NGOs because blogging

allows those groups to comment on. This maintains a healthy dialogic interaction so that Starbucks is aware of comments, improvements and criticisms it receives from identified secondary stakeholders. One thing though is that there is no mentioning of the CSR report if harmful comments that may be bad for a company's reputation is screened and filtered before they appear in the corporate website. Starbucks, being a globally influential coffee shop brand, renders itself vulnerable to public scrutiny when its corporate website does not control information posted in blogs and other hyperlinks. Another sanctimonious issue that presents itself is how much secrecy or "privileged information" is accorded between one stakeholder to another in its relationship with the company. Take for instance NGOs that might have some important information to relay to the company. Exposing such information in public space diminishes that sacrosanct policy of secrecy. In other words, since different stakeholders will have different concerns, issues and interests they should caution themselves in disseminating information. This calls for a stricter hand on CSR communication channels that will be specific to stakeholder audience in order to avoid confusion and vulnerability. However, in the spirit of dialogic interaction, CSR communication can utilize face-to-face meetings with specific groups to address various concern, a consideration that is worth pondering. In all of this, information for everyone specifies moral discourse on generality, authenticity and honesty as important for Starbucks to apply. Openness to information that is important for everyone else is a moral and ethical responsibility while concealment can be detrimental.

On another note, perhaps due to the lack of depth of research on CSR communication due to time constraint, the author was not able to decipher the intricate communication to primary stakeholders (customers for the most part). On the customer level, CSR presupposes that support of Starbucks coffee is not only tied to its taste per se but also in terms of how Starbucks helps society in general. The mere advertisement of the company's advocacy to youth trainings, jobs through its Starbuck's Foundation sends message to its primary stakeholders that the company is doing something to the customers and other people in the community. The importance of public communication through the company's corporate website is so important to magnify the effect. However, there is lack of communication tools utilized by the company in information dissemination. Online customers can be abreast with CSR messages if they are widely circulated in social media like Facebook due to its wide popularity. The ubiquity of social media networks for CSR communication, on the other hand, also instigates that communication content should be appealing to general customers. Animations, Tiktoks, videos are latest trends in Facebook messaging which can be used by Starbucks to cater to the young primary stakeholders. Lengthy messages in corporate website may not really be effective among general customers

nowadays. Company themes mentioned previously are great tips using chunked information that will be trendy provided that the CSR team is creative in design.

On the community level, Starbuck's CSR Communication clearly expresses its commitment to serve the community by way of providing support to agricultural farmers raising coffee as suppliers to the company. This economic impact of the business extends to amelioration of social conditions of community people making Social Demandingness Model of CSR Communication also important in the company. In the description, the company updates communication content on context-specific situations making the report relevant to actual needs of the community rather than some abstract ideas of community service.

Once again, in the corporate website there are hyperlinks that send readers to community subpage where all CSR communication centered on community is posted. In the spirit of dialogic interaction, it can also be important that CSR strategy of communication is explored in terms of actual community immersion of Starbucks CSR team to listen and observe local situations. Its importance cannot be undermined in the spirit of developing local solutions that are relevant to local people. For instance, coffee farmers can educate more with company's enhancement lectures from experts that conform to company rules and tastes. This also opens up product innovations and educational opportunities. For this to be effective, CSR Communication must emphasize availability of resources, proper communication tools both computer mediated and personal communication tools – tasks that should be embedded in strategic planning and CSR Report.

Next, community stakeholders should have open information to provide to Starbucks in terms of their various predicaments in a secure subpage where access is strictly for them. Once again, vulnerability is an issue to consider if communication is public. As implied in Management Theory, analyzing, strategizing CSR activities is management responsibility. This means that CSR communication is not within CSR department only but should include other managers for well-informed decisions to emanate. Fair CSR reporting is critical but achievable when all parties concerned pull themselves together to come up with organizational report that reflects company values, corporate culture and organizational objectives all rolled into one. Doing so requires CSR agents of Starbucks to continually educate themselves with various issues so that CSR content is relevant and its communication is vital to sustainability.

On the environment, there are areas of the company's CSR report that indicate sustainability issues addressed by Starbucks such as climate change, conservation of water and energy among others. These are general policies of environmental sustainability rather than dwelling upon specifics. This suggests that CSR report can be more detailed on actual environmental impact of Starbucks like the use of paper cups and their effect on garbage. This issue can be dealt seriously among company members so that a Starbuck's-wide utilization of ergonomic cups are used instead of plastic cups.

CONCLUSION

On this note, Starbucks can be more acceptable to criticisms from primary stakeholders (customers) so that immediate action is done and CSR communication is more or less sincere and honest. This is because company's legitimacy and authenticity are at stake when issues surrounding it run wild. In terms of environmental sustainability, it should be clearly honest because the environment can respond cataclysmically without uttering any word. This is the importance of a two-directional arrow in the conceptual framework. Such interaction needs government intervention so that laws are in place to protect the environment.

Finally, it is important to mention the Classical Model of profit-orientation even if its CSR Communication Report does not mention. Naturally, Starbucks is a global company that needs competitive advantage. It needs to secure its profits to make the business grow and to fund its CSR projects which ultimately bring in more cash the company by way of increased support for coffee enthusiasts.

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