

 RESEARCH
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# CORPORATE SOCIAL RESPONSIBILITY: SPECIFIC FACTORS IN THE REPUTATION OF THE COMPANIES FROM CUENCA (ECUADOR)

# LA RESPONSABILIDAD SOCIAL CORPORATIVA: FACTORES ESPECÍFICOS EN LA REPUTACIÓN DE LA EMPRESA CUENCANA

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# ABSTRACT

Corporate Social Responsibility -RSC- is a tool that can transform companies to establish policies aiming at the achievement of social development. With this stablished facts, this article intends to determine the level at which CSR is implemented in companies in Cuenca - Ecuador, analyzed from the perspective of those in charge of its management, collaborators and community; also noting that applying these kind of programs can improve their reputation. To establish the CSR level, 20 companies were investigated, taking a sample of 396 representatives of interest groups, divided into 198 collaborators and 198 members of the community, more than 20 spokespersons for the organizations. This study was developed on a quantitative approach; Information was collected on the activities carried out by the companies investigated and an analysis was made in order to verify the most practiced factors. After carrying out the surveys, it was observed that there is a coincidence between what the CSR management authorities and collaborators say, but discrepancies with the community actors' statements.

**KEY WORDS:** Corporate Social Responsibility – Public Relations – reputation – companies – organizations – *publirrelacionista*.

### RESUMEN

La Responsabilidad Social Corporativa -RSC- es una herramienta que puede transformar las empresas para que establezcan políticas con miras a alcanzar el desarrollo de la sociedad. Con este argumento, el presente artículo pretende

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determinar el nivel en el que se encuentra la RSC en las empresas de Cuenca -Ecuador, analizada desde el punto de vista de los encargados de su manejo, los colaboradores y la comunidad; además señalar que la aplicación de estos programas puede incrementar su reputación. Para establecer el nivel de RSC fueron indagadas 20 empresas, tomando una muestra de 396 representantes de los grupos de interés, divididos en 198 colaboradores y 198 miembros de la comunidad, a más de los 20 voceros de las organizaciones. El estudio realizado tuvo un enfoque cuantitativo; se recogió información sobre las actividades desarrolladas por las empresas investigadas y se realizó un análisis, con el fin de comprobar los factores más practicados. Después de realizar las encuestas se pudo observar que existe una coincidencia entre lo que dicen los facultados del manejo de la RSC y los colaboradores, mas no con lo que sostienen los actores de la comunidad.

**PALABRAS CLAVE**: Responsabilidad Social Corporativa – Relaciones Públicas – reputación – empresas – organizaciones – publirrelacionista.

# A RESPONSABILIDADE SOCIAL CORPORATIVA: FATORES ESPECÍFICOS NA REPUTAÇÃO DA EMPRESA CUENCANA

#### RESUME

A Responsabilidade Social Coorporativa -RSC- é uma ferramenta que pode transformar as empresas para que estabeleçam políticas de forma a atingirem o desenvolvimento da sociedade. Com este argumento, o presente artigo pretende determinar o nível no qual se encontra a RSC nas empresas de Cuenca – Equador, analisada desde o ponto de vista dos encarregados de seu manejo, os colaboradores e a comunidade; ademais assinalar que a aplicação destes programas pode incrementar sua reputação. Para estabelecer o nível de RSC foram indagadas 20 empresas, numa base estatística de 396 representantes dos grupos de interesses, divididos em 198 colaboradores e 198 membros da comunidade, ademais dos 20 porta-vozes das organizações. O estudo realizado teve um enfoque quantitativo; foi captado informação sobre as atividades desenvolvidas pelas empresas investigadas e se realizou uma análise, com a finalidade de comprovar os fatores mais praticados. Depois de realizar as encostas pode-se observar que existe uma coincidência entre o que dizem os representantes do manejo da RSC e os colaboradores, mas não o que sustentam os atores da comunidade.

**PALAVRAS CHAVE**: Responsabilidade Social Corporativa – Relações Públicas – reputação – empresas – organizações – publirrelacionista.

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### **1. INTRODUCTION**

In the Latin American context, CSR has made great progress in recent decades. According to Carroll (2008), "Corporate Social Responsibility begins to be conceived as a management system as of the year 2000" (Carroll, 2008. c.p. Rodríguez, Moyano & Jiménez, 2015, p. 5); However, in Ecuador it is barely a few years old, with the emergence of public policies that have generated a favorable scenario for the implementation of social responsibility in the organizational sector. Some companies of Cuenca have begun to record CSR, in their management and Public Relations plans, to achieve a good reputation and obtain even greater competitive advantages; However, the question arises: why not all companies do it? Several of them mainly use publicity and not Public Relations to promote and disseminate their socially responsible practices, without understanding that "[...] the business paradigms have evolved during the last hundred years since the first theories focused on production to the marketing paradigm and from this to the quality and environment paradigm, to consolidate the new CSR paradigm in the 21st century" (Navarro, 2015, p. 53).

Public Relations see CSR as an effective strategy for the organization to start generating that link with the community, collaborators, etc. This makes us think about how beneficial is CSR in an organization? Is it important to have it? Why is the interest in CSR? Is it a strategy that came to contribute a lot to the organization? Why have companies started using CSR criteria and reporting on it? "Is it, as some author's want, a kind of fashion more or less temporary stemming from an economic system based on obtaining the greatest benefit or, on the contrary, does it responds to a need derived from a fatal and inexorable social evolution?" (Solano, 2006, p. 7). In any case, in Ecuador the subject is just beginning to be dealt with unusual force; but, internationally, companies have generated radical changes in their strategies to strengthen their reputation. "A company to be reputed does not only need an excellent economic return but to do it in a sustainable way, which implies an ethical vision that may not have been known in the past" (Villafañe, 2006. c.p. Túñez, 2012, p. 46).

Every company should reflect on how to form and maintain a good reputation. When CSR is applied, the stakeholders start talking about the organization, creating an important link. This link, little by little, builds the reputation that an organization so longs for. Antolin & Gago (2004) mention that "[...] the reputation of companies depends on the perception stakeholders have about the degree to which they meet their expectations" (p. 32). According to these authors, society's expectation of the organization is vital to generate reputation. It is at that point when CSR takes interest. Do not forget that its ultimate goal is to be reciprocal with society. Given this, it must be taken into account that reputation is not only "social marketing" but, in reality, it is something that is achieved by being responsible, ethical and fair. "There are different angles from which to approach the issue of CSR and they all offer coherent arguments to justify, from an economic, social and moral point of view, the need to incorporate aspects of CSR in business management" (De la Cuesta, 2004, p. 56). It is not an act of altruism but a properly planned strategy with

evaluation indicators that, in the long term, will become a competitive preeminence. "[...] CSR can be much more than a cost, a limitation or an act of charity; it can be a source of opportunities, innovation and competitive advantage" (Porter & Kramer, 2006). However, companies have focused only on obtaining economic returns and not on the remuneration to the environment, the consumer and society. They have forgotten that CSR is a business management strategy, which takes into account the economic, social and environmental aspects of their stakeholders. "[...] It is a study discipline that has captured the attention of academics and professionals in the last decades" (Waddock et al., 2002; Aguinis & Glavas, 2012. c.p. González, 2017). This is voluntarily practiced by companies and organizations that seek to carry out actions that favor the community, exceeding what is stated in the laws of the country in which they are implemented. This tool valid for the PR person allows him to communicate to the public opinion, in an effective way, the application of new practices so that the companies show solidarity, seeking to contribute to the collective development. "Companies must systematize and formalize their policies [...] through the implementation of appropriate management systems that guarantee the setting of objectives and the improvement of actions [...]'' (Rubio, 2005).

On the other hand, the Communication and Public Relations departments have not estimated the real contribution, for the positioning of their companies, of the successful communication that can be achieved with the execution of CSR plans. "[...] Communication can be a transparency-generating element that helps improve the image, trust and reputation of these organizations" (Herranz de la Casa, 2007, p. 8). These types of actions undoubtedly seek to materialize the improvement of their reputation, "[...] considered to be one of the strategic assets of an intangible nature with greater potential to improve organizational performance" (Barney, 1986; Hall, 1992; Carmeli & Tishler, 2004. c.p. López & Iglesias, 2010, p. 87). In this sense, the study addresses the cohesion that exists between Public Relations and CSR. The former being a discipline that puts into practice the value of solidarity, there is no doubt that it is perfectly combined with CSR, which also has the same purpose. "[...] Social solidarity, the ultimate objective of Public Relations, is directly related to the degree of assumption of social responsibility expressed by a company, institution or organization with its conduct, which is resolved in what is called public image or reputation" (Solano, 2006, p. 10). It is noted, then, that Public Relations, CSR and image and reputation are closely linked.

The research also focuses on CSR as a strategy of Public Relations that promotes the good reputation of the organization, while paying the population for their trust, and collaborators for their loyalty. In other words, the vision of the concept is broadened by considering it a paradigm in which all parties win with the improvement of conditions.

### 2. OBJECTIVES

The general objective proposed for the study is: To determine the practice of CSR factors of the companies of Cuenca as a tool to improve their reputation. Here the labor, community, environmental, ethical and financial factors contribute to the

optimization of the dissemination of CSR compliance, becoming an instrument that allows the reputation of the companies of Cuenca to be improved.

The specific objectives are: a) Analyze the conception and application of CSR factors in companies in the city of Cuenca. The companies of Cuenca are concerned, among other things, to provide attention to their employees and improve their working conditions, thus becoming the first spokespersons to generate a good reputation; to examine the relationship with the community and its development, in addition to managing the impact on the community environment and involvement with social action; of commitment to new generations and environmental impact management; of self-regulation of business conduct and the undertaking of ethical and transparent relations with society and the desire to achieve sustainable development; of compliance with tax obligations and support to NGOs, ie, the companies assume responsibility from the financial point of view; and, b) Establish the main flaws in the dissemination of CSR compliance of companies in the city of Cuenca. First, most of the researched companies do not have a Communication and Public Relations department or communication strategies; secondly, they do not have accountability systems, nor channels for information to and communication with the citizens, which leads to a deficit in the communication of CSR.

### **3. METHODOLOGY**

This piece of research is carried out from a quantitative approach through primary data collected through a survey of a sample of units of analysis to determine the status of CSR. The survey focuses on labor, community, environmental, ethical and financial factors, and CSR, in order to obtain a picture of reality. Likewise, interest groups are surveyed. The inquiry is fragmented into two sections to achieve the object of study. From the result of the former, which was called "Conception of CSR", derives the study of the latter, called "Compliance with the factors of CSR".

### 3.1. Criteria for the selection of companies

This stage collects the information provided by the managers of the companies visited in the city of Cuenca, mainly in the sector called "Industrial Park", where most of the companies dedicated to the production of goods concentrate. Work was also done in the Historic Center, on the other hand, with organizations dedicated to financing and service provision. The following criteria were applied for the selection of companies: 1. With an administrative department located in the city. The number of organizations we visited does not allow research to be extended to a spacious geographical territory such as the canton, but rather circumscribed to the boundaries of urban parishes. 2. Large and medium. Research includes organizations known as large companies, where more than 200 employees work, and medium-sized companies that have between 25 and 200. 3. From the private sector. It should be clarified that the public sector is not considered, which, by law, must comply with the application of principles that contain CSR factors, which is why private capital organizations were approached. 4. With more than five years of operation.

be profitable and, at the same time, to reverse its profits and develop CSR. The classification of the Chamber of Commerce of Cuenca allowed us to select the 100 most important organizations, a representative sample (34%) to generalize the results of the study.

# 4. DISCUSSION

The theoretical approach through the review of books, articles in specialized journals and publications, allows access to a balanced starting point on CSR, understanding it as a Public Relations strategy, and thinking that progress must be made to the management of the communication, so that, through the application of plans and programs, the PR person can develop CSR indicators as a communication strategy to improve the reputation of companies. "[...] PR persons have become strategic advisors, because their research on issues of social interest allows them to formulate strategies that, once put into practice, can solve internal and external issues of the company" (Rosi, 2008). It must be considered, however, that "[...] it is not only about the inclusion of dissemination and promotion actions, but about the need to incorporate the communicative aspect as an integral and constitutive part of the development of actions for social construction" (Ferrari, Franca, 2011, p. 18).

# 4.1. An approach to the state of CSR in Cuenca City

The Ecuadorian legal framework ratifies the application of CSR, mainly based on the different laws of the Ecuadorian Constitution and the Organic Code of Production, Commerce and Investments<sup>2</sup>. The Ecuadorian Constitution established in 2008 in its Title 3 II: Rights, especially its article 14, states that "the right of the population to live in a healthy and ecologically balanced environment, which guarantees sustainability and good living, is recognized sumak kawsay"; Title VI: Development Regime, mostly articles; and in Title VII: Good Living Regime somehow enables the correct practice of CSR in Ecuador. These regulations make it possible to regulate good CSR practices; however, we must not forget that it should not be seen as an obligation (as it would lose all its meaning) but rather should become a pillar for the proper performance or operation of the CSR.

### 4.1.1. Conception of CSR: according to executives and managers

The companies of the city of Cuenca, being an important part of the economy of Ecuador, must be aware of how fundamental CSR is for society; for this reason, it is necessary to conduct a deeper analysis of companies. To do this, indicators are used that reflect the current thinking of CSR practices. The surveys were carried out in the facilities of each of the researched companies to the executives in charge of the matter to be studied, to whom the survey was applied with the first topic, which is described below:

<sup>&</sup>lt;sup>2</sup> Code responsible for regulating the production process in the stages of production, distribution, exchange, trade, consumption, management of externalities and productive investments aimed at the realization of Good Living in Ecuador.



Below is the report of the thought of the interviewed executives, around the issue of CSR in the companies of the city.



*Figure 1:* CSR perception by managers of 100 companies of Cuenca. **Source:** authors, 2019.

70% of respondents amply affirm that the company is responsible in various fields with its collaborators, community and environment; however, this inquiry into Cuenca companies clearly demonstrates a great latent problem. As is the case at the national level, most organizations say they know what CSR is but, at the time of its application, 50% of these executives demonstrate conceiving this practice as philanthropy; therefore, the reversal of actions is not the responsibility of a department that develops CSR plans and, much less, that once this is done, disseminates the execution of the procedures in the matter. A considerable percentage, 30%, make no comments in the piece of research carried out, which allows us to infer, and boldly, that it is not that the meaning of CSR is unknown, but rather the non-practice of it, and not even actions framed as philanthropy. Only 20% of respondents conceived CSR correctly. This is demonstrated in the planning of activities and in the gradual improvement they are achieving year after year.

The measurement and analysis that show the results of the surveys to the executives allow us to purify the study sample to reach the next phase, which is the determination of the CSR factors.

Below is the list of organizations that reveal the planning and implementation of CSR plans.

COMPANIES DEVELOPING CSR PROGRAMS	
Superior	Plastiazuay
Gransol	La Europea
Fibroacero	Tonicorp
Granistone	Adheplast
Vitefama	Agrosad
Editorial Don Bosco	Jardín Azuayo
Emporio Creativo	Milenium Plaza
Pasamanería	Graiman
Cartopel	Tesalia
Continental General Tire	Nutri

# 4.1.2. CSR factor compliance

It focuses on whether the company prioritizes the welfare of its employees; if it considers the fulfillment of the factors: ethical, labor, community, environmental and financial to be an opportunity for its development; if the production of goods and services of the company does not affect the environment in any way; if it encourages and supports the entrepreneurship of new productive sectors within the community; if it seeks to obtain economic benefits through CSR; and the realization of projects that benefit the interest groups.

### 4.1.2.1. Measurement and analysis of the execution of CSR factors from the point of view of the persons responsible for its compliance

With the purpose of obtaining quantitative data of the organization on CSR factors, acquiring support and evidence of the work done by the company, which serves as theoretical support, and knowing the company and its programs related to CSR, surveys were applied to the persons responsible for its execution.

Surveys seek to demonstrate compliance with the CSR principles determined as applied factors. Surveys applied in the months of May, June and July 2017

Listed below are the topics researched by factors:

First, the labor factor that seeks to research the respect of the employee as a properly trained and informed human being within the company about the respect for the laws of the legislation of the country that obviously must be fulfilled prior to the practice or compliance with CSR programs developed through factors. The inquiry seeks to establish all those efforts that the Cuenca businessmen translate through different plans for the benefit of their collaborators and community, as socially responsible entities.

COMPLIANCE WITH THE LABOR FACTOR
Respect for the hourly load.
Job stability.
Safety rules.
Promotion policies.

Gender equity and social equality.
Continuous training.
Communication of company goals and processes.
Clear determination of functions.
Promotion of an adequate working environment.

The study of actions, in the field of the community factor, seeks to know the policies developed by companies for the benefit of the nearby community (neighborhood) and the city.

COMPLIANCE WITH THE COMMUNITY FACTOR	
Recruitment of community inhabitants.	
Company intervention in violence problems in the community.	
Development of policies of respect for the individual as part of the environment.	
Community outreach to identify problems and search for solutions.	
Timely attention to claims raised by the community.	

The studied topics measure the development of socially responsible policies of organizations. They demonstrate compliance with established laws that show a frank respect for the environment, beyond the fear of being punished, and patent social responsibility in a world shared by the present and future generations.

COMPLIANCE WITH THE ENVIRONMENTAL FACTOR	
Compliance with laws of the constitution for environmental protection.	
Compliance with municipal ordinances.	
Carrying out environmental impact studies of the company.	
Updating methods that provide care for the environment.	
Practice of the three R's (recycle, reduce, reuse)	

The following table contains topics that measure the actions that reflect the execution of policies, based on principles and values, framed in the law and those that go beyond, these being the ones of greater interest to measure the ethical factor of CSR.

COMPLIANCE WITH THE ETHICAL FACTOR	
Sale of products or provision of quality services.	
Warranty compliance of your products.	
Fair competition.	
Company code of ethics: penalties for non-compliance.	
Respect for the rules of coexistence with the community.	
Participation of collaborators in decision making.	

Compliance with different economic obligations and, in addition, support for other organizations, are established with surveys based on the following topics:

COMPLIANCE WITH THE FINANCIAL FACTOR
Compliance with tax obligations.
Fair and punctual cancellation of compensation to collaborators.
Contingency plan in case of an economic crisis.
Distribution of profits according to the law.
Rewards for meeting goals and objectives.
Financial support to NGOs.

### 4.1.2.2. Presentation of compliance with CSR factors

The results and interpretation of the companies in the purified sample are first shown; subsequently, and as a second section, it becomes clear and the surveys of collaborators and community members of organizations that are part of the integrated factor compliance analysis are analyzed.

The scheduling of the meetings, with the personnel in charge of CSR, was carried out considering that the approach to each organization is randomized; therefore, the order of presentation of the results of the surveys of compliance of factors of each company is carried out in a similar way.





The graph shows the percentages of the CSR factors that, from the point of view of those in charge of their management, are applied by the studied companies. In this case, CSR is understood "as the means to achieve financial objectives and increase the usefulness of organizations" (Díaz, 2013).



*Figure 3:* percentage of compliance of CSR factors in Cuenca. **Source:** authors, 2019.

In the context of compliance of the CSR factors, it is established that there is 87.71% compliance of all the factors used in the survey to measure the CSR index applied by each company of Cuenca. In this business perspective, CSR is only a "tool" or "instrument" to obtain benefits (D'Andreis, 2013).

Once the CSR index that is attributed to the companies of Cuenca has been established, members of the companies (collaborators) and members of the community where the organizations had said they were contributing are surveyed. The purpose of surveying this segment of the population was to contrast the information provided by those in charge of CSR management in companies with that provided by the staff working in them and provided by the community.



*Figure 4:* Percentage of compliance of CSR factors in the three studied sectors. **Source:** authors, 2019.

After the analyses we performed, it is determined that, in Cuenca City, from the point of view of those responsible for managing CSR in companies, there is a level of compliance of CSR factors of 88%; on the other hand, from the perspective of the collaborators, the degree of observance of the factors practiced is 80%, with a small difference between these two sectors; not so with what was expressed by members of the community, where companies execute CSR plans and programs, the result of which is 51%, and there is already a considerable contrast.

#### **5. CONCLUSIONS**

CSR in Cuenca City is something new that, little by little, is becoming known. Entrepreneurs seek to look good in society; but there is still need to work so that they can realize that it is more profitable to implement CSR plans and programs than philanthropic actions. "[...] Philanthropy does not establish any formal relationship between the company and its community or social environment. The company-community or company-society relationship is weak or non-existent" (CERES, 2008, p. 17). Indeed, out of the 20 companies where CSR questions were applied, many confuse it with philanthropic work. It can be said that some companies apply CSR

intuitively, executing long-term programs that benefit many people and communities. However, it is necessary to clarify that CSR is an act that must be performed considering certain parameters, with detailed planning and established policies. For this reason, in this study, the substantial need to undertake CSR actions is presented after having developed a schedule and having established business methods that support the CSR actions that the company or organization will undertake. "[...] Organizations must produce social goods, such as high standards of living, propagate economic progress and therefore the security, order, justice, freedom and development of the individual personally" (Ruiz, 2013, p. 59). The establishment of policies around CSR will help the company not to lose its goal when this strategy is applied. In Public Relations, each of the techniques applied must yield the expected results for the organization. For this reason, it is essential to have a schedule that promptly defines the CSR actions to be executed by the company. If it is done without established policies, philanthropy can easily fall, which, although it is a laudable action, however the results may not be entirely favorable. It is important to take care of the public opinion that can be generated around the implementation of this strategy.

In Cuenca City, some attempts have been made to strengthen CSR. When issues about this strategy are booming, and after taking its first step, which is its conceptualization, it reaches a stage where there is a need to modify and increase aspects on the subject in question to be able to assume concepts that encompass everything that the responsibility with society entails; It also seeks to create models that govern the actions of organizations, that is, ways in which such responsibility should be carried out. "To assume social responsibility, companies have at least four reasons. One of them comes from the pressure of civil society; the second, from the pressure of the markets; the third, from the pressure of political power; and the fourth, from the fact that our situation is enormously changing" (Cortina, 2010).

The first and most important aspect to consider for the application of CSR is to have the approval of the authorities of the company or organization. If the importance of CSR for the company and the benefits that this strategy could achieve is not discerned, managers will not opt for the application of a CSR that guarantees business success (Toro, 2006, p. 338-341). Advantageously, the companies in Cuenca that promote the practice of CSR are committed to senior management. To start this strategy, it is essential that managers are convinced of its efficiency in order to achieve a good reputation; as well as the contribution that the company will make to the public beneficiaries of the CSR actions that are undertaken. On the contrary, it is almost impossible for CSR to be implemented in companies where managers do not see the need and the value of doing so to contribute to society.

In Cuenca City, it is palpable that the majority of researched companies know about the issue of CSR. It is noticeable in the statistical tables obtained after the

application of surveys to the managers of the CSR<sup>3</sup> in companies that have high compliance rates, that all the factors are efficiently reflected, which surprises as CSR is a new issue in this field. However, when contrasting the "official information", it is noted that the employees of the companies do not think the same, since there are disagreements. The percentage drops by 8%. This is understandable if it is considered that they are not fully aware of the CSR efforts made by executives. Likewise, in the surveys of contrast to the beneficiary public of the CSR programs promoted by the companies, it is proved that the percentage was even lower (37%) less compliance as compared to the results of the surveys made to those responsible for the management of CSR in the companies). It is demonstrated that what companies think is far from what the public deliberates. This does not mean that CSR plans are not executed and that organizations lie. The results indicate that CSR is communicated efficiently, without confusing it with propaganda or social marketing. Good business practices must be disseminated, so that others imitate them or realize that, by acting correctly, you can obtain greater benefits. "Organizations can be seen as communication phenomena" (Freitas, 1991, p. 34). There must, then, be a communication policy, what is counted and how is it counted?

The difference of views between the managers of the CSR, the collaborators of the companies and the beneficiary communities, can be explained in two ways:

- a) The first, from the perspective of culture. In the context of Cuenca and Ecuador, sadly, one lives through welfare and paternalism, which results in the more support people receive for their development, the more "demanding" they are. This generates a type of dependence on formalized programs. When companies start to carry out these types of programs, the beneficiaries believe that it is an obligation to proceed like this all the time; and, if for some reason they stop doing so or change their beneficiary audience, they falter and come with animosity to the organization. This explains why the percentage of CSR compliance in the community is low when compared to the percentage obtained from surveys conducted to those responsible for managing CSR in companies, and to those who work there.
- b) The second refers to a purely communicative look. Companies execute their CSR plans that favor a certain audience; however, this goes unnoticed because there is no adequate communication that propagates the benefit that the community is receiving. Newman and Mejía (2011) warn that "active and effective communication with interest groups or recipients of the company is the cornerstone of Corporate Social Responsibility" (p. 47). This is not intended to say that the CSR actions that companies comply with must be communicated through big events and publications, but with discretion. "It has been possible to confirm a late interest on the part of the business sector in recognizing the importance in the departments of PR and communication as drivers of development within companies [...]" (Robles & Yaguache, 2010, p. 3). The purpose is not to make the company known but that the public

<sup>&</sup>lt;sup>3</sup> The collection of information obtained from companies in Cuenca City on the topic of CSR was facilitated by a variety of professionals working in the administrative, marketing, human talent and, rarely, the PR person.

have the organization as a reference to undertake new projects. With this, CSR plans can grow and cause the expected impact on society. It is striking that some companies are distrustful of sharing information. A company that applies CSR with all professional and technical parameters should not be afraid to show the community its daily work. If it does, it would be with the objective of implanting a seed of competitiveness for others to follow these business actions.

As a city, there is still a way to go for all companies to start up CSR. It is notorious that there is a difference in the practice of social responsibility between large companies and small and medium companies. Multinational companies are more predisposed to comply with responsible policies. These organizations are recognized for their actions, even if they do not consider the expectations and interests of local associations; while small and medium-sized companies value responsible practices less, because as they have few economic resources they are more limited to face social responsibility actions.

Companies like Graiman and Continental begin to appropriate CSR; which, in turn, serves for others to have the example to follow of the prosperity of the win-win sense that is achieved with CSR. Responsibility is a key factor in exploring new opportunities for companies or organizations. And not only that, it is also one of the most significant elements to start talking about competitiveness. Social responsibility is seen as a model in which the company meets or exceeds the ethical, legal, commercial and public expectations that society has in business. "[...] It integrates respect for people, ethical values, the community and the environment with the management of the company, regardless of the products or services it offers, the sector to which it belongs, its size or nationality" (Cajiga, p. 2). It is to go beyond legal compliance, it is to identify what is being done with the stakeholders.

It has been expressed that CSR should be considered a business strategy, making it clear that, in the organizational chart of some companies in Cuenca City, the CSR department is recorded, although without any link with the Communication and Public Relations Department.

The fundamental step that the business sector of Cuenca has to take is to change the paradigm of its objective as an organization. The purpose should not be solely to obtain economic returns<sup>4</sup>. You have to understand that making money is a consequence of the things the organization does. Without CSR it is difficult to compete in today's market, where the consumer has become a fundamental pillar for the emergence of the company. "[...] In this sense, various works show that CSR has a direct and positive influence on the evaluation made by the consumer of the company" (Marín & Rubio, 2008, p. 182). An organization that begins to show signs of CSR application will be more competitive in the market and, therefore, will

<sup>&</sup>lt;sup>4</sup> It should be noted that, if proper planning is established and an adequate strategy is executed, the company or organization will benefit not only socially but economically too. With the above, the objective of CSR is not distorted, which is to return in part what society has provided to the company.

increase its sales. "The most prestigious media on economy in the world, The Economist, published a report that recognizes that CSR is simply a good business" (Fernández, 2009, p. 88). A company that is able to balance the results, not only economic but also social and environmental, what is doing is guaranteeing its ability to sustain itself over time.

In some companies of Cuenca a social responsibility policy has been created, which is the creation of shared value -CVC-, with people, taking care of the environment in the process of doing business. It is the philosophy of the approach. Now, that must be landed in new policies; for example, to think of one that addresses collaboration with academic institutions.

To apply CVC programs, the role of the PR person is indispensable, because it can clearly change the thinking lines of a target audience and seek to adapt them to the social progress that generates value, both for companies and communities and government; in turn, the value of conscience of both the owners of the organization and its staff must be rescued. In this regard, the relationship between the PR person of Cuenca and the application of CSR plans is observed in the joint work between company-community-government, since the acceptance of the parties allows the execution and the taking of actions based on the study of programs or CSR plans that the company has executed and the proposal of practical strategies of a PR person, without being confused with what many companies have done, which is social marketing.

Throughout the research process, it is evident that a large percentage of the companies of Cuenca do not know how to communicate their CSR actions. This error allowed us to know the context in which organizations operate and why this great emptiness. With the contribution of theorists who have studied CSR in similar contexts, strategies can be generated to establish adequate communication plans for the studied companies.

The lack of dissemination of CSR by organizations in Cuenca City is observed in the surveys carried out, specifically in the contrast generated between those executed by companies and those perceived by the community. The results show that organizations do apply CSR actions (some with implemented policies); However they fail to communicate. The nearby community does not know about these actions, which makes the marked difference in the percentage between the surveys undeniable.

With the application of CSR you can reach a better world. Today's companies begin to focus on the practice of this strategy so necessary for everyone, for the environment. People's life depends on CSR; but above all, it is for the life of the company, which currently seeks to strengthen this public relations strategy in order to improve their reputation.

All this purpose encompasses the work of the PR person, who must understand that the ultimate goal of Public Relations is social, that it respects human rights,

provides products and services that society demands, with transparency, and that takes care of the environment. In this sense, there is full coincidence with the aims that CSR also pursues.

The character of the profession does not belong to an organizational hierarchy but to the joint work of the members of the company. The application of CSR programs and policies from the academic formation of Public Relations can diagnose social needs and promulgate the fulfillment of communication and social responsibility plans in search of social objectives. Today, this depends on the continuity, stability and growth of organizations.

The global application of CSR can be contradictory to the presence of the PR person in Cuenca, because the need for a Public Relations and planned communication professional, in other latitudes, arises in the public sphere, thus private organizations having little interest in the management of communication in organizations by a PR person, let alone grant the direction of social responsibility issues.

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