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Australian Centre for Corporate Social Responsibility



# WORKING IN CSR

SALARIES, ROLES AND THE CSR  
PROFESSION IN AUSTRALIA TODAY

THE STATE OF CSR IN AUSTRALIA:  
2008 Annual Review  
Volume 2

# TABLE OF CONTENTS

WELCOME	.....	4
1.0	Executive Summary.....	6
2.0	Respondents .....	10
3.0	Getting into CSR: Recruitment and Employment Levels .....	13
3.1	An Inside Job: Recruitment and Employment Growth .....	13
3.2	Types of Roles, Location within Organisations and Role Levels .....	17
3.3	Experience and Tenure in CSR Roles.....	20
4.0	Authority and Supervision .....	21
5.0	Funding CSR: Budgets and Expenditure.....	22
6.0	Salary Information .....	27
6.1	Salary Guides .....	28
6.2	How Salary Information is Calculated .....	28
6.3	Salary Distributions .....	31
7.0	Activities, Challenges and Opportunities .....	32
7.1	Time Allocations and Key Tasks.....	32
7.2	Common Challenges .....	35
7.3	Opportunities .....	36
8.0	Appendix A: Research Method .....	38
8.1	Salary Calculations.....	38



# TABLE OF FIGURES

Figure 1:	Respondents' Demographics .....	10
Figure 2:	Respondents by Organisation Type .....	11
Figure 3:	Respondents by Industry Type .....	12
Figure 4:	Respondents by Organisation Size: 2008-2007 Comparison .....	12
Figure 5:	Recruitment Experiences/Source of Current Role .....	13
Figure 6:	Length of Time within Organisation: 2008 vs 2007 .....	14
Figure 7:	Length of Time within Current Role: 2008 vs 2007 .....	14
Figure 8:	Past and Anticipated CSR Role Creation .....	15
Figure 9:	Percentage of CSR Roles by Employment Type .....	15
Figure 10:	Size of CSR Teams .....	16
Figure 11:	Expected CSR Job Creation in 2009 .....	16
Figure 12:	Job Titles of CSR Managers .....	17
Figure 13:	Location of CSR Roles within Organisational Structures .....	18
Figure 14:	Level of CSR Roles within Organisational Structure: 2008 vs 2007 .....	19
Figure 15:	Reporting Levels of CSR Managers .....	19
Figure 16:	CSR Managers' Experience in CSR/Sustainability Roles .....	20
Figure 17:	CSR Managers' Supervisory and Work Responsibilities .....	21
Figure 18:	Number of Staff Reporting to CSR Managers .....	21
Figure 19:	CSR Budgets .....	22
Figure 20:	CSR Managers' Salaries, Relative to CSR Budgets .....	23
Figure 21:	CSR Managers' Biggest Budget Decision-Making Challenges .....	24
Figure 22:	CSR Managers' Level of Influence in Budget Decision-Making .....	25
Figure 23:	CSR Budgets: 2007-08 vs 2008-09 Financial Year Allocations .....	25
Figure 24:	Anticipated Changes to CSR Budgets in 2009 and Reasons for Changed Expenditure .....	26
Figure 25:	CSR Managers' Salaries: 2008 to 2007 Comparison .....	27
Figure 26:	Salaries by Organisation Type .....	27
Figure 27:	Non-Cash Benefits Earned by CSR Managers .....	30
Figure 28:	Distribution of Salary Ranges According to Management Level .....	31
Figure 29:	Percentage of CSR Managers' Time Spent Working on CSR/Sustainability Issues .....	32
Figure 30:	CSR/Sustainability Activity on which CSR Managers Spend the Most Time .....	33
Figure 31:	Common CSR Activities Undertaken Over Time: 2005, 2007 and 2008 .....	34
Figure 32:	Barriers to Success in CSR Roles .....	35
Figure 33:	Opportunities Provided by Working in CSR Roles .....	36



# WELCOME

The Australian Centre for Corporate Social Responsibility is pleased to bring you *The State of CSR in Australia: 2008 Annual Review Volume 2*.

This report shows how the role of the corporate social responsibility (CSR) manager is changing. With climate change now firmly on the political, legal and business agenda, and with the global financial crisis highlighting the importance of corporate governance and the increasing interconnection of businesses and governments, the CSR profession will continue to develop and mature.

What sort of growth should we expect in the year ahead? What are the key roles for the CSR manager? Are new roles emerging? How is the job ranked inside the organisation? How much political force does it have in the organisational pecking order? Has corporate social responsibility started to shape organisational strategy? What are the big trends? Are there differences between CSR roles in companies, not-for-profit organisations, government departments and other types of organisations? What are the foundational skills, competencies and knowledge areas for people working in CSR? What career pathways are available to people working in CSR? Is CSR a profession?

The findings of *The State of CSR in Australia: 2008 Annual Review* provide some answers.

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NOTES: All references to \$ are Australian dollars.

'n' in charts and graphs refers to number of respondents.

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## Definition of corporate social responsibility

Our definition of corporate social responsibility follows the definition of social responsibility developed by the International Organization for Standardization's draft social responsibility standard.

Social Responsibility is the responsibility of an organisation for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that:

- Contributes to sustainable development, including health and the welfare of society
- Takes into account the expectations of stakeholders
- Is in compliance with applicable law and consistent with international norms of behaviour; and
- Is integrated throughout the organization and practised in its relationships.

(extract from ISO CD26000, CD 1)

## Definition of CSR manager

In this report, the term 'CSR manager' is used as a generic term to describe any person employed to advance corporate social responsibility within their organisation, as defined by the ISO provisional definition. This may include employees at various levels of seniority with a range of job titles, including but not limited to CSR, sustainability, environment, corporate relations, community relations and so on. Managers from areas such as strategy, human resources, legal, marketing and finance often have CSR responsibilities as well.



# 1.0 EXECUTIVE SUMMARY

A month before the field work for this research began, Lehman Brothers collapsed and the world was just beginning to comprehend the scale of the emerging global financial crisis.

The timing of the survey therefore provides a snapshot of a very important moment in the CSR field and in business more generally. Results should be read in this socio-political context, wherein CSR managers were just beginning to realise the full reach of the financial crisis.

Corporate social responsibility is entering its adolescence as a profession in Australia, but it still faces a number of battles before we can truly say CSR has come of age. This report shows how far the profession has come since our first report in 2007 (downloadable from [www.accsr.com.au/resources](http://www.accsr.com.au/resources)).

In 2007, we invited 1,000 people on ACCSR's mailing list to respond to an online survey about working in CSR in Australia. Of these, 181 people responded. In 2008, we extended the invitation to 2,247 people, receiving responses from 515. Thus, the response rate increased from 19% to 23% and the total data set is nearly three times larger. We also included more detailed questions on the issues important to CSR practitioners and on remuneration for CSR workers. This report therefore provides a more detailed and robust insight into the profession.

In our 2007 report, we found that the role of CSR was still emerging in Australian organisations. People were highly motivated to seek work in CSR because they saw it as an avenue to bring about societal change and work in an area aligned with their personal values. They also found it challenging to demonstrate the value of what they do. This much has not changed.

However, we now know more about the nature of those motivations and challenges, and the typical rewards CSR managers receive, which is important for those designing and managing CSR structures and jobs. For example:

- The most common profile of a CSR manager is a well-educated female aged between 26 and 44. She is employed by a company or a government business enterprise, was internally recruited, and has worked in CSR for less than five years.
- Despite the global financial crisis, jobs in CSR are likely to grow in 2009.
- More than a quarter of respondents expect their organisation to create one or more new CSR roles this year. As the profession matures, a greater proportion of new jobs will be externally advertised.
- CSR is a nascent field, but careers in CSR are emerging: one in five CSR managers are in at least their third role in the area.
- CSR jobs can be in many different parts of an organisation, but the roles are almost always at manager level or above.
- CSR teams are small and budgets are generally modest. CSR managers therefore need to be adept at creating influence and impact with few resources.
- The majority (59%) of CSR managers earn \$60,000 or more.



- The best CSR salaries are in the mining and property development industries. The lowest-paid CSR professionals are in the transport industry. CSR work is diverse. It can include working directly with internal or external stakeholders on social or environmental issues, developing policy, implementing programs, measurement, and communication and reporting.
- CSR managers get intrinsic rewards from working in CSR. Their work is aligned with their personal values; they learn new skills and deal with important issues. But it is a rough road: their biggest challenge is dealing with resistance to CSR in their own organisation.

This year's State of CSR Research comprises two volumes: Volume One: CSR Drivers of Business Outcomes and Performance: The Business Case in Numbers and Volume Two: Working in CSR: Salaries, Roles and the CSR Profession in Australia Today.

In Volume One, CSR Drivers of Business Outcomes and Performance, you can access quantitative data which provides a business case for CSR. Volume One has been developed in direct response to CSR managers who have told ACCSR that their biggest challenge is articulating the business case for CSR. The information in Volume One can be used as an evidence-base to show how CSR drives value within contemporary business practice. This quantitative business case for CSR is particularly useful for encouraging the internal buy-in and organisational support necessary for a successful CSR program.

In this volume, (Volume Two), you will find comprehensive information detailing the current state of the CSR industry in Australia, with insights into the recruitment experiences, roles, salaries, budgets, activities, opportunities and challenges which define CSR work experiences. The report is laid out in distinct sections focusing on key issues, allowing you to dip into specific areas of interest or read straight through.

We believe the research findings have implications for human resources managers and recruitment consultants seeking to attract the best candidates for both existing and new jobs in CSR. The results also have implications for senior managers and heads of functions who need to understand both the contribution of this new profession to the success of business, and how to work with CSR managers.

Finally, we hope the report will provide useful information for people working in CSR and those seeking employment in the area.

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**Managing Director**  
**ACCSR**

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# WILL THE GLOBAL FINANCIAL CRISIS BE GOOD OR BAD FOR CSR?

BY SPECIAL WRITER LEON GETTLER

The prospect of a global recession could see companies winding back their spending on corporate social responsibility (CSR). Paradoxically, it could also strengthen CSR by forcing organisations to work harder on their brands and reputation. Both options are possible, perhaps even occurring simultaneously.

If CSR budgets are slashed, it is more likely to occur in companies where CSR is not integrated into the fabric of the organisation.

Tony Gray, director of sustainability at Visy says the economy will have an impact.

"All companies now are looking to reduce costs and deal with the downturn. In those companies where CSR is just an add-on, they will probably cut it before they cut the marketing budget," Mr Gray said.

"It will definitely have an impact, particularly with those companies that have only recently taken it on. The other challenge now is that it's a lot easier now for managers to say no."

On the other hand, the recession might well become a watershed for CSR. Simon Longstaff, executive director of the St James Ethics Centre, and head of the federally-funded Responsible Business Practice Project, says the downturn will produce two countervailing forces: pressure from governments and more scrutiny from shareholders, including institutional investors.

"Of course in instances where CSR is taken as an add-on, then it's at risk and quite fragile," Dr Longstaff says. "In other circumstances, corporate responsibility will not be a bolt-on and will be an important part of the infrastructure.

"It's a point of self-interest because it's important for employee morale at a time like this, and reduces costs of inputs.

"The pressure for that is coming from two different directions. First, we have governments and regulators now looking to see business contributing to the net benefit of society. Secondly, investors will now be looking to some sort of gain and longer term prospects."

As a result, Dr Longstaff said, chief financial officers will be taking more of an interest in the way corporate social responsibility can reduce costs.

As Graham Paterson, Westpac's head of group sustainability and community involvement says, this is where corporate social responsibility comes into its own as a business proposition. "In terms of the current financial crisis, you have to look to the long term, not the short term. Essentially, sustainability is about taking the risk out."

Most CSR and sustainability practitioners agreed that the big problem was getting the company to 'buy in'. This was especially the case for those organisations where CSR was seen as an adjunct to the company's operations.

That however puts the onus on CSR managers to develop a strong business case that links their work to the bottom line. The first rule of sustainability is to sustain your profits because if you cannot do that, you cannot do sustainability on an ongoing basis. The successful practitioners therefore must demonstrate how proper CSR delivers a beneficial impact on the bottom line. This could be done in several ways, from reducing inputs to cutting staff turnover to improving brand reputation.



Sam Lipski, the chief executive of the Pratt Foundation, goes one step further and suggests the business case can be made even more compelling in this economic climate.

Certainly, all companies now are examining their budgets, and CSR is likely to be affected. Still, businesses cannot have one philosophy in boom times and another in a downturn.

"In practical terms, you can't turn it on and off like a tap," Mr Lipski said. "Corporations are governed by enlightened self-interest so they would be doing it as an investment in their reputation, an investment in them being accepted by the wider community.

"To the degree that there is a sense of anxiety and fear in the wider community, a lot of it has to do with not enough social responsibility. I would have thought companies would be concerned about their reputation in this environment."

What does that mean for CSR practitioners? Given that most have been in their role for less than three years, is it really a career path?

Dr Longstaff believes it is very much the career of the future and would help position the CSR manager for advancement. "If you think about the role, there is a need to look right across the business as a whole, then I can think of few jobs that are better placed. You are looking not only at the strategy but at the operations, and then you have reporting requirements. The requirements of the investment community and management will drive that hard in the future. Others will see it as a viable alternative for operational and strategic roles to advance their careers. It won't be a ghetto ... it will be a great starting place."

As a result, he expects the CSR management field will grow as more seize on the opportunities. He expects to see an increase in both full-time, and part-time and casual positions.

Others, however, believe there might be more of a trend to appoint contractors and part-timers. Dr Ross Hearne, general manager, corporate services at Kimberly-Clark says it might happen if workplace trends now are anything to go by.

"If companies look to reduce resources, it will move into our area," Dr Hearne said.

Whether it is in the form of contractors or full-time staff, there is a view that the sector will continue to grow despite the economic conditions. CSR is here to stay. Given that intangible assets such as reputation, customer loyalty, employee engagement and know-how and brand take up most of the space on balance sheets, there will be increasing pressure on companies to focus on corporate responsibility.

And despite the diversity of CSR titles and operations – with some being in corporate affairs, others being in communication and marketing, with some being project officers, and others being executives, there is a growing agreement of what constitutes good CSR practice. In the years ahead, that view will start to emerge.

To the degree that there is a sense of anxiety and fear in the wider community, a lot of it has to do with not enough social responsibility. I would have thought companies would be concerned about their reputation in this environment.

"With forces like the Global Reporting Initiative, there is now a global consensus about what good CSR practice looks like," Dr Longstaff said.

And what is the biggest challenge? For some, it is about creating a strong business case in this climate. But if companies will be under increasing pressure to maintain their brands and reputation, the real challenge will be finding sufficiently skilled people and building the stock of CSR specialists.