Improving Community Relations

A Guide for Small Business

Research shows companies can engage community groups in three main ways. This guide is based on more than 200 studies and is designed to help small businesses pick the strategy that is best for them and their communities.

What Is a Community?

Communities are groups of individuals linked by issues, interactions, geography or a sense of identity. They include, but are not limited to:

- Residents
- Community associations
- Sports leagues
- Online networks
- Parent-Teacher Associations
- Cancer survivors
- Environmental activists
- Religious groups

Typical Concerns of Community Groups

The following are examples of common concerns community groups have about companies operating in their area:

- **Hiring Practices**: Is the company hiring (or laying off) local people?
- **Environmental Impact**: Does the company generate air or water pollution? Do its products contain excess packaging?
- **Personal Inconvenience**: Does the company create traffic or parking problems? Does it give off noise or odours?
- **Major Changes**: Is the company opening a new building or factory?

Why Work with Community Groups?

Good relations with community groups help companies in three ways. They improve companies’:

1. **Decision-making**: Business leaders can take community concerns into account when making business decisions. Community groups also often have valuable local knowledge, which can lead to better, even innovative, projects.
2. **Legitimacy**: When community groups feel they have been heard, they trust a company more.
3. **Competitiveness**: Good community relations make it easier to attract workers, as employees want to work for companies that are respected. Good community relations also reduce lawsuits and other obstacles that cause costly project delays.
Three Strategies for Working with Communities

Companies can work with community groups in three ways:

<table>
<thead>
<tr>
<th>Company Perspective</th>
<th>Description</th>
<th>Communication</th>
<th>Number of Partners</th>
<th>Interaction</th>
<th>Information/ Knowledge</th>
<th>Control Over Process</th>
<th>Tools &amp; Techniques</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment</strong></td>
<td>“Giving Back”</td>
<td>One-way</td>
<td>Many</td>
<td>Occasional</td>
<td>Goes from company to community</td>
<td>Company</td>
<td>Advertisements; Information kiosks; Press releases; Newsletters; Door-to-door visits; Information sessions; Charitable donations; Employee volunteering</td>
</tr>
<tr>
<td><strong>Involvement</strong></td>
<td>“Building Bridges”</td>
<td>Two-way</td>
<td>Many</td>
<td>Repeated</td>
<td>Goes from community to company</td>
<td>Company</td>
<td>Surveys; Studies; Interviews; Consultative committees; Interactive websites; Public hearings; Neutral forums</td>
</tr>
<tr>
<td><strong>Integration</strong></td>
<td>“Changing Society”</td>
<td>Two-way</td>
<td>Few</td>
<td>Frequent</td>
<td>Is jointly generated</td>
<td>Company and community</td>
<td>Strategic local or regional partnerships; Sector discussion groups; Joint brainstorming; Conflict resolution; Work groups</td>
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</tbody>
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Which Is Right for You?

**Step 1: Identify Your Community Groups**

Identify the community groups connected to your company. Have neighbours complained about noise or environmental impacts? Have groups complained in newspapers or online? Also try to identify less visible community stakeholders. Low-income or less-educated members of the local community are less likely to complain publicly, yet responsible companies will consider their interests. Plus, an organized group could take up their cause – with more impact.

<table>
<thead>
<tr>
<th>Name of community group</th>
<th>Group A</th>
<th>Group B</th>
<th>Group C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Concerns/ expectations related to my company</td>
<td></td>
<td></td>
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</tbody>
</table>
Step 2: Prioritize Your Community Groups

For each group ask yourself:

<table>
<thead>
<tr>
<th>Question</th>
<th>Group A</th>
<th>Group B</th>
<th>Group C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is their concern legitimate?</td>
<td>Yes</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>Would their concern be considered legitimate by the media, politicians, insurers?</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Can they directly impact my company?</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Do they represent a vulnerable population (e.g. __________)?</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Are their concerns directly related to my company’s activities? (e.g. __________)?</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td>Do they have knowledge or connections that could benefit our organization?</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

The more times you answered “yes” to the questions, the more important it is you engage this community.

Step 3: Pick the Best Engagement Strategy

For your highest priority community groups, answer the following statements:

<table>
<thead>
<tr>
<th>How well do you understand the group’s concerns or expectations of your company?</th>
<th>Very well</th>
<th>Not very well</th>
<th>Even if we understand what they want, we’re currently not doing it.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Their concerns are clear and valid.</td>
<td>We’re not sure what they want from us.</td>
<td></td>
</tr>
<tr>
<td>How well does the group understand the situation?</td>
<td>Not very well</td>
<td>Pretty well</td>
<td>Well And they would like to work with us on it.</td>
</tr>
<tr>
<td></td>
<td>They’d benefit from knowing more about our company.</td>
<td>However, they think we don’t see their perspective.</td>
<td></td>
</tr>
<tr>
<td>How great is the potential for you to collaborate with this group on shared projects?</td>
<td>Low</td>
<td>Average</td>
<td>High The only way to address their concern is if we treat them as a partner and work together.</td>
</tr>
<tr>
<td></td>
<td>There wouldn’t be much value in us working together on anything.</td>
<td>There may be an opportunity to work with them.</td>
<td></td>
</tr>
</tbody>
</table>

If your answers fall mostly in the left column, your best strategy is: **Community Investment**

Provide the community group with clear information about your company and its activities. Consider providing financial support to their cause.

**Tools to use:** Advertisements; Information kiosks; Press releases; Newsletters; Door-to-door visits; Information sessions; Charitable donations; Employee volunteering

If your answers fall mostly in the middle column, your best strategy is: **Community Involvement**

Set up forums where the group’s members can express their views on your project or activities. Create informal occasions where they can discuss their concerns with you.

**Tools to use:** Surveys; Studies; Interviews; Consultative committees; Interactive websites; Public hearings; Neutral forums

If your answers fall mostly in the right column, your best strategy is: **Community Integration**

Engage the community group in your strategic planning process and connect them to employees. Build their solutions into your decision-making process and business plan.

**Tools to use:** Strategic local or regional partnerships; Sector discussion groups; Joint brainstorming; Conflict resolution; Work groups
Case Studies

Investing in Local Sports and Recreation (“Giving Back”)
In 2009, Quebec furniture manufacturer Artopex agreed to be the title sponsor of a community sports complex. Daniel Pelletier, President of Artopex, made a personal donation in the company’s name to fund the facility’s construction. The company also gave in-kind donations such as furniture for the facility’s administrative offices.

The Artopex Sports Complex now enables more than 250,000 people to play sports each year. “The sports complex is something we at Artopex are very proud of,” said Sustainable Development Coordinator Jean Barbeau. “It creates a public space where not only Artopex employees but also members of our community – children and adults – can meet, interact and participate in team sports.”

Soliciting Community Input into a Building Expansion (“Building Bridges”)
When Canadian football team the Montreal Alouettes had to renovate their stadium, they worked with non-profit organization Les amis de la montagne, or “Friends of the Mountain.” Les Amis had expertise on the cultural, historical and environmental requirements associated with Mount Royal, the protected park where the stadium sits.

Through public forums and presentations, the Alouettes shared their construction plans and listened to community concerns. The result? They decreased the number of lights used during pre-game set-up by 50 per cent, reduced the sound level reaching nearby houses during games, instituted shuttles to alleviate traffic concerns, and planted hundreds of trees and shrubs (50 per cent more than were required). “The Alouettes are a proud corporate citizen,” said Alouettes Director of Game Operations Rémy Paré. “We feel a strong sense of responsibility to our community and to the environment. Engaging with organizations like Les Amis is important to us.”

Partnering to Build Youth Job Skills (“Changing Society”)
Kal Tire, Canada’s largest independently owned tire dealer, was keen to establish a national partnership with a charitable organization. The right partner would have: the ability to provide lasting value through a long-term program, a presence in many of the communities where Kal Tire operates, a proven track record, and programs aligned with the issues that matter to the company and its employees, such as education, families and youth.

The company chose to partner with Boys and Girls Clubs of Canada (BGCC) and create a new program that will provide essential pre-employment job skills training and job shadowing opportunities for youth. Titled “Skilled4Success,” this pilot program helps youth become skilled for a career, whether in the skilled trades or other career disciplines.

Kal Tire created an internal committee that worked with BGCC to develop training resources, market the program, and create metrics to measure program success. The company also has an ongoing role presenting at workshops and offering youth hands-on job shadowing experience at Kal Tire stores.

“This marks a great opportunity to showcase a variety of careers for young Canadians, including skilled trades,” said Kevin McCarty, Corporate Social Responsibility Coordinator for Kal Tire. “Our goal was to create a partnership where Kal Tire could play a role in helping youth build valuable job skills and successful careers.”

Contributors
The following people made valuable contributions to this guide: Jean Barbeau, Artopex Inc.; David Bidwell, University of Michigan; Marc Brazeau, Automotive Industries Association of Canada; Diane Brisbois, Retail Council of Canada; Brenda Jones, Canadian Association of Petroleum Producers; Kevin McCarty, Kal Tire; Derek Nighbor, Food & Consumers Products of Canada; Cheryl Paradowski, Purchasing Management Association of Canada; Rémy Paré, Montreal Alouettes; Michael Vandenberghe, Vanderbilt University; Georgina Wainright-Kemdirim, Industry Canada.

This guide is based on research conducted by the Network for Business Sustainability with the help of management professor Frances Bowen and management professor and Director of NBS’s French Office Marie-France Turcotte.

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