

CSR Communication

A SME-oriented Approach

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Introduction

A case study of Danish SME managers' understanding of CSR and CSR communication conducted in the beginning of 2007 concluded that CSR communication in SMEs is a practice rather than a corporate strategy (Nielsen & Thomsen, 2007b). SMEs still have a long way to go towards learning how to act strategically (see also Murillo & Lozano, 2006). The case study was motivated by an increased focus on SMEs and globalisation issues, particularly supply chain management¹.

The case study showed that CSR seems to be a question of SME managers' personal values and mindset in respect of ethical concern and commitment. On the one hand, the preferred communication strategy is "silence", and personal ad hoc communication. On the other hand, the concept of corporate communication and related concepts seem to influence the discourse of SME managers. Many of the key issues which dominate the corporate communication profession (reputation management, corporate identity, relationship management, etc.) are indeed perceived as relevant to managers in SMEs.

One interesting question or dilemma raised by the case study was whether a more dedicated approach to formalising or planning CSR communication in SMEs is possible without compromising the authentic and human enthusiasm SMEs tend to demonstrate in their internal and local environment. The case study concluded that a more focused or SME-oriented approach was required. Thus, the purpose of this article is to examine CSR communication issues and challenges described in the literature and, on the basis of this examination, propose the key elements of an approach to CSR communication which takes into consideration the operational context of SMEs. In order to achieve this goal, we have looked into the emerging strategic CSR communication literature (e.g. Morsing & Beckmann, 2006) focusing on four perspectives, i.e. management, marketing, public

¹ We used quantitative and qualitative data from the People & Profit project managed by the Danish Commerce and Companies Agency. The quantitative data consists of 1,071 replies from SME managers who participated in an Internet-based questionnaire survey of a representative cross-section of SMEs in Denmark (cf. TNS Gallup report 2005: 1-54). The qualitative data consists of semi-structured interviews with three of the managers from these SMEs. The interviews were conducted and transcribed by Mette Haugaard Kristensen, The Danish Commerce and Companies Agency. We wish to express our gratitude to Mette for having left the transcriptions at our disposal.

relations and stakeholder perspectives. We have also studied the operational context of SMEs both in the literature and in our case study.

The structure of our paper is as follows: firstly, we present our theoretical framework consisting of CSR management theories and CSR communication theories and literature, considering the former as a conceptual basis for the latter. The purpose of this presentation is to pave the way for a discussion of central issues and dilemmas associated with strategic CSR communication. Secondly, we give a short outline of the operational context of SMEs. This outline allows us to discuss strategic CSR communication issues and dilemmas in a SME perspective and examine the key elements of a SME-oriented approach to CSR communication.

CSR management approaches

Which management system or approach should corporations in general choose to support their key CSR themes? A useful framework is proposed by Garriga and Melé (2004) who argue that the most relevant CSR theories and related approaches are focused on one of the following aspects of social reality: economics, politics, social integration and ethics (see also Carroll 1999). They classify the main CSR theories and related approaches in four groups: instrumental theories, political theories, integrative theories and ethical or value theories. Their assumption is based upon Parsons (1961) who argues that four aspects can be observed in any social system: adaptation to the environment (related to resources and economics), goal attainment (related to politics), social integration and pattern maintenance or latency (related to culture and values).

Instrumental theories understand CSR as a mere means to gain profits (Friedman, 1970). It is assumed that the corporation is an instrument for wealth creation and that this is its sole social responsibility. In this group the focus is on meeting objectives that produce long-term profits and on themes such as: maximization of shareholder value, strategies for achieving competitive advantages, and cause-related marketing (Garriga and Melé, op.cit.). *Political theories* emphasize the social power of corporations. This leads the corporation to accept social duties and rights or participate in certain social cooperations. In this group the focus is on using business power in a responsible way (ibid.). *Integrative theories* usually argue that business depends on society. As a consequence, corporate management should take into account social demands and focus on integrating them in such a way that the business operates in accordance with social values. Basically, the theories of this group are focused on the detection and scanning of, and response to, the social demands that achieve social legitimacy, greater social acceptance and prestige. Central concepts are: social responsiveness and issues management, public responsibility and public policy, stakeholder dialogue, etc. (ibid.). *Ethical theories* consider that the relationship between business and society is embedded within ethical values. Corporations ought to accept social responsibilities as an ethical obligation above any other consideration. Main approaches are: normative stakeholder theory, universal rights, sustainable development and the common good approach (ibid.).

The above framework enhances our understanding of CSR communication approaches and systems which ideally ought to be embedded within corporations' management approaches and systems.

CSR communication approaches

What are, in general, the challenges of strategic CSR communication, and which issues, dilemmas or approaches are highlighted? Considering CSR communication as a research field within corporate communication², we draw on insights from three main forms of communication composing corporate communication: management communication; marketing communication and organisational communication (van Riel 2005, see also Cornelissen 2004, Goodman 2006), the latter comprising disciplines such as public relations, public affairs, investor relations, environment communication, corporate advertising and internal communication. In this article we have grouped the organisational communication literature under the headings of public relations and stakeholder relations.

The management communication perspective on CSR communication

Management communication can be defined as the communication of managers at different levels with internal and external target groups (van Riel 2005: 22). According to van Riel, research has shown how essential the role of managers is in the realisation of a positive communication climate and a positive reputation. According to van Riel, one main problem is that not all managers are aware of the role they play in communication or they are simply not aware of the fact that they assume the role as communicators. Instead they believe that departments such as marketing and public relations can assume this role alone.

Contributions which we find particularly relevant to our perspective have primarily come from researchers interested in disciplines such as leadership (see conceptual review in Kakabadse, Rozuel and Lee-Davies 2005: 295-297) and employee relations (e.g. Morsing 2006). Researchers generally acknowledge the role of leaders in organisations as very important in ethical issues, especially because of their key influence on the organisational culture (Kakabadse, Rozuel & Lee-Davies, op.cit.). Leadership shapes and orients the organisational climate so that the expectations of organisational constituents match more socially accepted norms of behaviour (ibid.). Leaders must for example embody CSR values, promote and support them through their own behaviour and attitude (ibid). Consequently, 'leadership' is required at more than one level in an organisation, which suggests that not only top executives but also middle managers and further must fully endorse the values of the organisation (ibid.).

The marketing perspective on CSR communication

Marketing communication can be identified as direct sales-supporting communication aimed at influencing customers and increase sales (van Riel, op cit.). The Danish consumer researcher Suzanne L. Beckmann (e.g. Beckmann 2006; Beckmann & Langer, 2003)

² Cees B. M. van Riel (2005) defines corporate communication as "the orchestration of all the instruments in the field of organizational identity (communication, symbols and behavior of organizational members) in such an attractive, realistic and truthful manner as to create or maintain a positive reputation for groups with which the organization has an interdependent relationship (often referred to as stakeholders) (Van Riel 2005: 22).

demonstrates that the most important marketing approach to CSR communication is grounded within consumer behaviour studies, where the “green” segment research stream from the early 1980s introduced studies of the green movement (green products, energy conservation, waste handling, knowledge measurements, motivation, peer influence, cost-benefit, etc.) (Bechmann, 2006: 168). Consumer reactions to CSR initiatives in terms of awareness, attitude, purchase, etc. have thus been subject to several studies (e.g. Bhattacharya & Sen, 2004a/2004 b; Yoon & Gürhan-Canli, 2004; Davar & Klein, 2004; Creyer & Ross, 1997). The characteristic of this range of studies is their focus on developing methods which can explain and measure the effect of corporations’ CSR initiatives on consumers. A website study of Fortune 500 corporations shows that more than 80 % of the corporations address CSR issues, proving that business leaders tend to believe in CSR not only as an ethical imperative but as a business case (Bhattacharya & Sen, op cit.:9). This emphasis on ethics is supported by the results of a survey on Corporate Citizenship from 2000, concluding that 84 % of American consumers are willing to switch from one brand to another for ethical reasons providing price and quality are similar (ibid.).

At the marketing strategic level cause-related marketing (CRM) is presented as the most common marketing strategy for advocating CSR to consumers (e.g. Kotler & Lee, 2005; Brønn & Vrioni, 2001). CRM is considered as a beneficial means to build brand equity and to “help marketers to stay in tune with the mood of the public” in that it appears more concerned with society than other marketing strategies (Brønn & Vrioni, op cit.: 215).

To the strategic marketing approach, one should add a communicative stream studying the use of sales supporting material for consumer oriented CSR communication. Studies focusing on communication channels (Schlegelmilch & Pollack, 2005) reflect on the effectiveness of CSR communication vehicles. According to Schlegelmilch and Pollack it appears that due to lack of credibility, corporate advertising does not prove to be the most effective channel for conveying CSR messages, particularly not in cases where the CSR issue is not part of or is in contradiction with the core business (op cit.: 276), e.g. the 100 million anti-smoking campaign launched by the tobaccoist Philip Morris. Media coverage, corporate websites and corporate reporting are connected with higher credibility than advertising and can handle more complex information. However, media content is out of control for organisations and corporate web communication suffers from its status as pull information. (op.cit.: 278). In conclusion, all communication channels seem to have both positive and negative CSR communication potentials, but they should be adapted in each case to the contextual environment and the CSR issue and the goal to be achieved (ibid.).

The public relations perspective on CSR communication

Public relations aims at creating mutual understanding between an organisation and its public, but public relations can also be conceived as an indirect sales-promotional tool based on image and reputation-enhancing activities.

The last 20 years of public relations research bear witness to a shift from a functional towards a relational framework, where relationship building through relational communication and dialogue as a means to understand and interact with the public has

replaced a utilitarian and instrumental approach to public relation research and practice (Botan & Taylor, 2004).

This shift of focus has added a societal aspect to public relations (see e.g.: Grunig, 2006; Kotler & Lee, 2005; Daugherty, 2001; Esrock & Leichty, 2000 and 1998; Maignan and Ralston, 2002) with a strong emphasis on community involvement (e.g. corporate philanthropy and sponsoring) as a response to the increasing influence of communities on businesses (Daugherty, op cit.:389). Societal contribution is thus significantly higher than 30 years ago and consumers, investors, employees, environmentalists, the general public, etc. are emergent attention-getters (ibid.). Today's public relations is thus dominated by particular agendas such as e.g.: socially responsible corporate policies, supporting initiatives for human rights, forced labour, the environment and safe working conditions, etc. which have a significant impact on corporate behaviour. Corporations and non profit organisations depend on society's acknowledgement of them to gain legitimacy of their planning and doings. If they fail to meet these expectations, gaps between public expectation and their performances will occur and they risk losing their legitimacy (op cit.: 390). Therefore, in order to avoid legitimacy gaps, it has become important for corporations to work with and observe a range of basic business rules: fair pricing, product quality, responsible advertising, timely resolution of customer complaints, community responsiveness, and environmental management, etc.

Public relations researcher James Grunig not only establishes a link between public relations and the practice of "public responsibility" (Grunig 1997). He also claims that public relations should provide an important framework for ethical decision making in organisations (Grunig, 2006: 165). This increasing 'responsibility' component of public relations can also be traced back to Grunig's basic functional distinction between public relations as *dialogue* and public relations as *persuasion*. While *public responsibility* is anchored in the dialogical and two way-symmetrical approach to communication, irresponsible public relations belongs to the persuasive and one-way communication approach (Grunig & Hunt, 1984; Grunig 1997). Two way communication and dialogue involve the concept of responsibility in the sense of *responsiveness*, indicating corporations' willingness to present honest facts in order to meet expectations from the public (see above).

Concerning relevant areas of public relations, Schlegelmilch and Pollack (op.cit), see ethics communication (which we consider as public relation communication) as something which should include issues that people can relate to (Spickett-Jones et al. 2003 in Schlegelmilch and Pollack op.cit.: 270). Consequently, certain issues such as e.g. damage control in the form of bribery, deceptive packaging, or price fixing are considered to be too self-evident for image communication, whereas other issues that are classified as non self-evident, such as e.g. "refusal to produce military weapons" or a "boycott of suppliers from certain countries", etc. are worthy for communication in the sense that they may have a positive impact on organisations' image amongst stakeholders (op.cit.: 271). In other words, companies' selection of CSR issues to be communicated is delicate and can do more harm than good if not appealing to the public's conception of credible communication acts.

The stakeholder management perspective on CSR communication

Stakeholder theory as it has evolved in recent years has begun to focus attention on the importance of the relationships that companies have with stakeholders (Andriof & Waddock, 2002: 19). In this article, we follow Andriof and Waddock (2002) who state that perspectives on stakeholder theory have moved away from an entirely corporate-centric focus in which stakeholders are viewed as subjects to be managed towards more of a network-based, relational and process-oriented view of company-stakeholder engagement, where at least there is consideration of mutuality, interdependence and power.

Drawing on business in society, stakeholder and strategic relationships theories, Andriof and Waddock (ibid) provide a framework that enhances the understanding of the dynamics of and rationale for the increased levels of stakeholder engagement and communication witnessed today. The first insight we gain from their work is that modern companies must move from reactive compliance-oriented management of social issues through proactive boundary-spanning functions that cope more effectively with external matters and into operating policies and interactive engagement strategies with a range of stakeholders (op.cit.: 42). Stakeholder engagement can thus be viewed as a process for managing a company's social risk and connect with stakeholders. Next, we learn that such collaborative strategies depend on the establishment and maintenance of social capital (e.g. meeting stakeholder demands and expectations) and on the creation of a network of ongoing relationships. In this way, stakeholder engagement can also potentially provide critical strategic information. The third insight we get is that stakeholder engagements and partnerships are trust-based collaborations between actors with different objectives. The basis for successful partnerships is an agreement about rules for co-operation. A higher consensus or agreement, achieved through interaction, means less regulated partnering because of a minimised conflict potential and can best occur when social capital exists.

Within the above framework, researchers have focused on topics such as CSR communication strategies and stakeholder engagement or involvement (e.g. Morsing & Schultz 2006), stakeholder dialogue (e.g. Kaptein and van Tulder 2003; Rahbek Pedersen 2006) and new social partnerships (Zadek, 2001; Andriof 2001; Googins and Rochlin 2000). Our focus being on SMEs, the topic of corporate social reporting (see a review of the literature in Gray, Kouhy and Lavers, 1995; Nielsen & Thomsen 2007a) is not taken into consideration in this article.

CSR communication issues and challenges

From a theoretical perspective the greatest challenge to corporations in respect of CSR communication is to make decisions about how to handle CSR from a strategic point of view, including which perspective to choose (management, marketing, public relations or stakeholder perspective) and which CSR issues to integrate in the overall strategy and communication planning. With the breakdown in recent research and practice of the boundaries between internal and external communication on the one hand and marketing and PR-communication on the other hand, the way has been paved for the strategic and integrative approach, which we find anchored in the concept of *corporate communication* (e.g. Cornellissen, 2004 and van Riel & Fombrun, 2007). This leaves corporations with a

big dilemma: how to communicate consistently about CSR? In line with this, issues taken up in the literature on CSR communication are for example whether corporations should at all communicate CSR externally, and whether CSR communication should be one-way or two-way, personally or mass oriented, direct or indirect. CSR communication is a delicate issue. It needs to be handled in a subtle manner that may prove traditional marketing and PR tools insufficient, the problem being that corporations are encouraged to engage in CSR to build strong reputations, but at the same time stakeholders are reluctant to receive too much information about their CSR engagements (Morsing 2003: 150).

Firstly, as we have seen above, stakeholders have different types of interests and engagements in corporations' activities and are not equally concerned with CSR. Investors, NGO's, financial experts, etc. may pay particular attention to corporate accounts, whereas consumers and the public as such are not necessarily attracted by this genre of information. Secondly, a scrupulous selection of CSR communication issues is crucial. Adopting a wrong CSR strategy in terms of scope of interest and issues can do more harm than good if it is not an integrated part of the core business. Gaps between the walk and the talk may arise and cause CSR to be conceived as window dressing. Organisational values such as "human respect" or "trust" become hollow if they are not practiced by fair treatment of employees, clients, suppliers etc. Thirdly, communication form and channels should be adapted to contextual parameters such as: situation, message, target group/stakeholder, goal to be achieved, etc. One-way mass communication may provoke or create awareness about an issue among unaware stakeholders, but it is instrumental and inappropriate for creating attitude change or debate. As stated above, lack of credibility is also connected to mass communication, which calls for more third party endorsement channels in order to reach public stakeholders. Finally, the organisation of CSR communication within organisations should be considered in order to attribute a strategic and measurable function to CSR conceived as a fundamental value embedded in the management of the organisation. In other words, corporations making use of CSR as a promotional instrument without integrating it in their value set and overall strategy cannot expect that CSR can have an increasing impact on their image and reputation.

It is characteristic that the CSR communication literature relates more to the integrative and ethical CSR value logics than to the instrumental and political value logics, focusing on building and maintaining good relations with primary stakeholders. It is also characteristic that the challenges highlighted in the literature are more internally oriented than externally oriented - focusing on topics such as values, culture, indirect or third-party endorsing approaches, etc., which can probably be explained by the fact that CSR has until recently been dominated by big multinational companies to whom credibility is a bigger challenge than to SMEs.

The context of SMEs is different from the context of big corporations. SMEs constitute a very heterogeneous group in terms of size, number of employees, turnover, line of business, etc. In the editorial to a special issue of the *Journal of Business Ethics* on SMEs & CSR, the editors give an outline of existing research on SMEs and responsible business practice (Moore & Spence, 2006). They highlight a number of SME contextual factors which we consider relevant in a strategic CSR communication perspective. We focus on three of them.

Firstly, a basic antagonism between capital and labour is considered to be inherent in the employment relationship in small firms. Together with this basic antagonism are elements of co-operation since employers need to secure workers' willingness to work while workers rely on the firms for their livelihoods". Moore and Spence (2006) argue that "It is perhaps the keen awareness of the employees' reliance on the employer for their livelihood that is different from the larger firm, where decision makers will not normally have personal contact with the individuals who are affected." (Moore & Spence, 2006, p. 221).

Secondly, Moore and Spence (op.cit.) highlight the focus on owner-managers of SMEs, arguing that individuals who own their business are both principal and agent and hence are at liberty to spend the business' money as they see fit. According to Moore and Spence, this justifies an emphasis on the personal ethical attitudes of owner-managers, attitudes which are assumed to influence the business. Moore and Spence also establish a link between the personal ethical attitudes of owner-managers and the start-up phase of a small business and the owner-manager's relationships in terms of help, harm, trust and morality. In line with this, SMEs generally have good relations with local communities. Proximity is one of the factors that increase the likelihood of moral behaviour.

Thirdly, it is argued that there is not a general orientation towards maximisation of profit in small organisations. Competitors are often treated as (moral) stakeholders rather than just adversaries in the marketplace. In other words, SMEs are different in nature, not just in size, from large firms and unlikely to adopt marketing tools, or strategic approaches using "management speak". Most SMEs are product focused not having the time or necessarily the skills to think about functional and organisational issues like responsible business practice. This does not mean, however, that they act irresponsibly, only that what they do is not codified in the way it might be in a large firm. Moore and Spence state for example that normal environmental management systems are not found to be readily adopted by small firms which tend to take more of an ad hoc and reactive approach to environmental issues. The last argument is supported by the results of our case study (Nielsen and Thomsen 2007b).

Key elements of a SME-oriented approach to CSR communication

Our theoretical framework consisting of CSR management theories and CSR communication theories and literature has paved the way for a discussion of central issues and dilemmas associated with strategic CSR communication. The insights obtained from SME literature and the case study above allow us now to discuss CSR communication issues and dilemmas in a SME from the four perspectives above: *management, marketing, PR and stakeholders*.

From a *management perspective* the corporate CSR profile of SMEs is entirely determined by the top manager's personal values. SME managers seem to incarnate strong ethical values and to embody and support these values through their own behaviour and attitude. Their communication style is direct and informal. Internally the manager typically speaks the language of the employees, most likely because he originates from and belongs to the same environment as they do. Since everybody in the company knows each other and spend the majority of the working hours together, they do not need formal communication

procedures. The direct contact between them is very straight-forward and practical, allowing them to communicate in a friendly and informal tone and to give every single task a personal touch. Externally, most leaders are more or less invisible leaving the floor to marketers or in larger SMEs to PR employees. Consequently, a strong CSR oriented profile calls for managers who have a more strategic, dialogue-oriented and visionary mindset.

From a *marketing perspective* marketing and advertising communication has a strong product focus and is often in the hands of product managers and sales representatives who hold the dialogue with customers and competitors in face-to-face arrangements, product seminars, annual exhibitions and fairs, etc. Corporate advertising is not systematically practiced although most of the investigated SMEs have invested massively in environmental innovation and product solutions by which they could promote themselves much more on environmental concern and sustainability than they do towards critical consumers and future job candidates. As marketing resources are more restricted in SMEs than in larger companies, they could also collaborate more systematically with stronger partners, building up networks and partnerships with local authorities or NGOs in order to reach social responsible consumers in a more authentic way by using a cause-related marketing approach.

From a *public relation perspective*, SME managers tend to adopt a strategy of silence. They admit that strategic communication might strengthen their image and reputation. Yet, they are reluctant to use self-promotion and public relations strategies in order to become more visible actors in their local and global environment. Unsystematic ad hoc management may prove to be fruitful and sufficient for day-to-day operations and informal interactions, but image-enhancing and reputation management based on CSR should be subject to much more strategic and long-term PR communication planning procedures than the ones SMEs apply today (op. cit.).

Finally, SMEs seem not to be aware of the *stakeholder oriented approach* to communication management, which could bring them a step forward towards exploring important information sources, networks and potential partnerships. SME managers are driven by product development and the production cycle of their business. Most SMEs tend to oversee the potentials beyond internal and local informal communication networks. SMEs thus seem to have an ambivalent attitude to CSR communication in the external environment. An important challenge for SMEs is thus to widen up their narrow CSR scope, often restricted to employee concerns, which is valuable in itself, but only a single aspect of what may be defined as a strong stakeholder and CSR communication profile.

How to overcome these challenges? Which key elements should be included in a more holistic SME-oriented approach to CSR communication?

First, it is no surprise that some of the challenges from our empirical study of SMEs tend to overlap with the challenges highlighted in the CSR communication literature. The biggest challenge is probably related to breaking the silence of SMEs without bragging CSR and risking to compromise the authenticity and credibility of the source which is a dilemma for both large corporations and SMEs. In CSR communication it is essential to distinguish between potential communication strategies which take into account both the context and

strategy of the actual company as well as which stakeholders are interested in which kind of information. CSR should not be considered an appendix to be added to the already existing strategy of the individual company. CSR must be integrated in the overall business strategy of the company in order to become an inherent (and not artificial) part of the company. This means that CSR should be integrated from inside and out rather than vice versa. In this way the company will be able to appear consistent in its action patterns (Schultz et al. 2004).

Secondly, it is important for SMEs – as well as for all other kinds of enterprises - to conceive a strategy that matches the interaction needs of the individual SME with its stakeholders. SMEs that do not use chemicals in their production are not in dialogue with environmental authorities and NGOs to the same extent as chemical production companies, but they may be suppliers or customers to such companies. Such circumstances influence to what extent the SME should prioritise CSR descriptions on websites, in brochures, in reports, etc. The same goes for information on employee relations, job agreements, local sponsorships, etc. The SME will often be better off with communicating this type of information through media targeted directly at employees and the local community rather than through media channels for consumers and the public in general. Schultz et al. (op.cit.) distinguish between direct and indirect communication when describing this issue. Direct communication is often arranged for through external and formal channels such as reports, brochures and websites, whereas indirect communication often takes place through other channels than the external ones, e.g. journalists at local daily papers and through mouth-to-mouth from employees, consumers and local community persons. Reputation-wise, the PR value of using a so-called third party legitimisation is generally significantly greater than when the company itself is the sender of more or less concealed messages about CSR activities (op.cit.).

Thirdly, for SMEs, who only use formal external channels to a very limited extent, emphasis must be put on strengthening the indirect CSR communication through relevant stakeholders and networks at local and national levels.

Conclusion

Inspired by a case study on communication practices in SMEs and on the basis of a literature review on strategic CSR communication, we have examined how corporations in general deal with CSR communication issues and challenges. Taking into account the SME context, we have discussed SMEs' potential for adopting a strategic CSR communication approach, and we have finally proposed a set of key elements allowing SME managers to profit more explicitly from the ethical commitment they already seem to demonstrate with employees, customers and local agents. The key elements were presented from four perspectives: *management, marketing, public relations* and *stakeholder perspective*.

From a *management perspective*, a strong CSR oriented profile calls for managers who are more visionary and concerned about building and maintaining a strategic, dialogue-oriented relationship with external stakeholders. From a *marketing perspective*, SMEs might gain from leaving their product focus adopting a corporate marketing approach in order to promote the entire organisation in the marketplace. They might also gain from collaborating more systematically with stronger partners, building up networks in order to

reach socially responsible consumers. Finally, from a *public relations and stakeholder management perspective*, SMEs might be able to strengthen their image and reputation by adopting more strategic and long-term PR communication planning procedures allowing them to intensify and systematise the dialogue with their stakeholders. An important challenge is to widen up their narrow CSR scope, often restricted to employee concerns. However, it is important for SMEs to find a reasonable balance between the internal and the external engagement. What they need is a more dedicated approach to formalising communication management and planning without compromising the authentic and human enthusiasm they demonstrate in their internal and local environment. The holistic approach to managing and operating communication activities, which is embedded in the field of corporate communication, may be a relevant and realistic approach for SMEs to adopt in order to use their fruitful relationship management behaviour from a more strategic perspective.

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