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### Becoming Their Authentic: The Shift in Corporate ESG Reporting

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# Becoming Their Authentic: The Shift in Corporate ESG Reporting

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**Critical Problem and Objective:** We want to conduct a rhetorical analysis to determine YUM! Brands strategies for communicating Corporate Social Responsibility practices and ESG efforts to external stakeholders.

Corporate social responsibility (CSR) is the “context-specific organizational actions and policies that take into account stakeholders’ expectations and the triple bottom line of economic, social, and environmental performance” (Aguinis & Glavas, 2012). Businesses using the CSR model engage in or work towards bettering society in three spaces: the environment, social welfare, and governance (ESG's). We want to see how this model is communicated among stakeholders, and if this social mission is fully integrated into the practices and workspaces of YUM! Brands.

Scholar, Lauren Reuss, Political Science and Economics, UofL 2022  
Mentor, Dr. Jenna Haugen, Department of Management

## Methodology

Using Hoffman and Ford's (2013) work, we analyzed the published corporate reports to determine YUM!'s ESG strategies. Coding line by line of the text, we looked for language and statistics demonstrating the brand's beliefs, progress, and shifts over time based on historical and political changes.

What **GOALS** do they set?  
What themes are present?  
What actions do they want to take?

What is the **TONE**?  
Who do you think is the **AUDIENCE**?

**HOW** do they appeal to the audience?  
.....

**ETHOS:** Appeals to organizational **credibility**

**Competence:**  
Evidence highlighting successful ventures and/or progress

**Community:**  
Sense of **membership** and importance

**PATHOS:** Appeals to **emotion**

**Needs:** What is being created or appealed to?

**Values:**  
Appealing to stakeholder values?  
Expressing theirs? Does the product or action uphold values?

**Organizational identity:**  
Common ground beliefs, use of "we," unifying symbols

**THEMES**

## Findings: 2017 & 2018 Reports

- Reports are about progress and broad goal setting
- Strong appeal to ethos using competence factors
- Tone of positive outlook, but lack in sense of urgency and mission centeredness
- Language suggests YUM! finds issues important but does not find themselves at the forefront of any movement
- Publications not overshadowed by historical, social, or political events
- Not executing best practices across brands
- Individual brand identity and franchising overshadows corporate values and ESG implementation
- Audience likely foreign and domestic governments

### FOOD GOALS

- Serve up trust in every bite
- Maintain safe, high-quality food supply and customer experience
- Seek improvement of food nutrition to improve global health
- Limit marketing to kids

### PLANET GOALS

- Design more sustainable buildings to reduce energy consumption, water use, and GHG emissions
- Build a more responsible supply chain
- Source chicken raised without antibiotics

### PEOPLE GOALS

- Measure Employee Engagement
- Provide training to build worldclass leaders
- Minimize unconscious bias
- Increase representation of minorities
- Remain committed to Global Code of Conduct

## PEOPLE (2019)

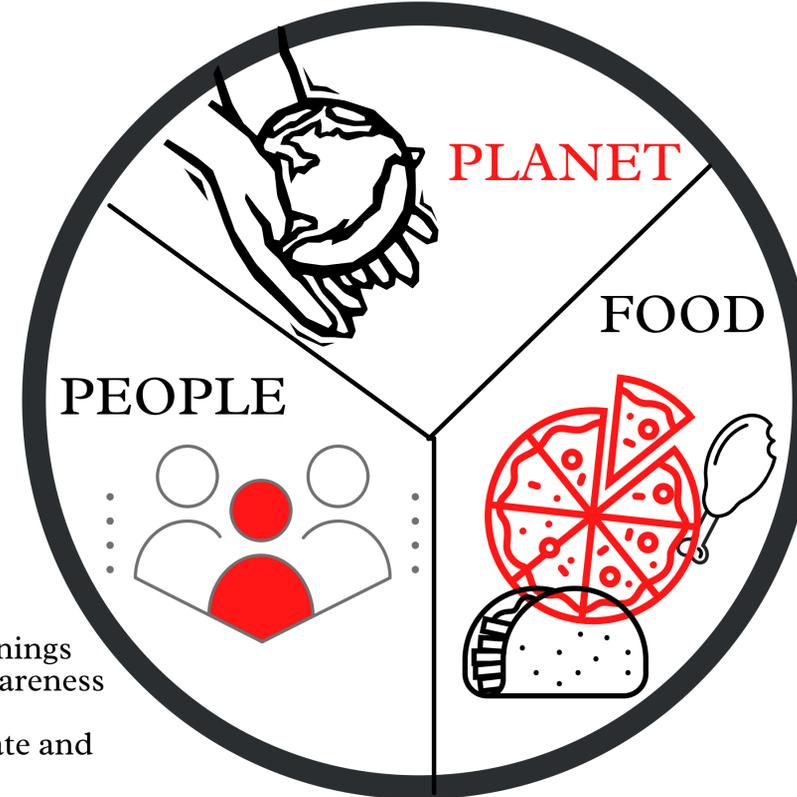
- Recognize people are at the forefront of their mission
- New interest in benefits for frontline employees, including scholarships for education
- Investment of \$10,000,000 in people's success
- Cultural Competency trainings and Micro-aggressions awareness trainings
- Practices for both corporate and franchises
- Inclusive of voices beyond the CEO
- Recognizing stakeholder impacts outside of YUM! Brands
- Metrics for diversifying representation
- Framework to ensure Human Rights and Labor Conditions met and exceeded.

## Conclusions & Next Steps

YUM! Brands CSR reports depict a shift to more authenticity, accountability, and action. We want to determine whether this shift has been seen by internal stakeholders. Starting Fall 2021, our next step is to interview the drivers of CSR within YUM!'s corporate offices of each headquarters. Their responses will then be compared to the reports. After interviewing drivers, we will conduct focus groups with employees in generational cohorts at each location to determine employee perceptions of ESG's, mission centrality, and authenticity.

## Findings: 2019 Report

- Change in CEO; new team focused solely on ESG work
- Reports include goals and progress, but center the conversation around necessity of YUM! in the change
- See the Brand as the forefront of the ESG movement
- Tone is positive, reflective, and aware
- Written in light of the pandemic and social justice movement
- New focus on best practices transcendent of brand identity



## Rhetorical Shifts:

- Reports almost incomparable
- Audience now engaged; presentable to governments and external stakeholders
- More authentic; introduce new metrics to hold themselves and franchises accountable

**PLANET (2019)**

- Use science based targets to pursue comprehensive renewable energy across brands
- Determine GHG footprint and set manageable targets for reducing energy consumption
- Reduce plastic packaging, remove styrofoam, and make packaging recyclable and compostable by 2025
- Eliminate deforestation in the production of agricultural commodities

**FOOD (2019)**

- Investment in Quality Management system to provide real-time transparency on status and quality of food
- Switched to risk-base approach rather than that of compliance
- Expanded sanitation practices in restaurants
- Accelerating research and development for plant-based and vegetarian options

## References

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