

CSR: A closer look at Indigo Chapters



Corporate Social Responsibility Assignment

Group 7

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## 1) CSR Analysis

Indigo Chapters is a large company with stores at various locations across Canada. The company has so far exceeded customers as well as employee expectations with its Corporate Social Responsibility program hitting the top. The company's main focal point is to maintain a sustainable workplace that meets its ethical standards. Indigo stands against discrimination, abuse and harassment, child and force labour. Furthermore, the company highly supports employee's fair wages, benefits, appropriate working hours and last but not the least, sustain the health and safety regulations. Indigo is inclusive to not just its employees and clients, but also its vendors and suppliers in terms of the ethical standards of the company towards them.

In terms of current CSR activities, the company has achieved and still strives each day to exceed its own expectations. Building the Love of Reading Foundation has been a major factor to the company's CSR enhancement, targeting low-income children by equipping high-needs elementary schools with books and resources.

Indigo Fundraiser Program is another CSR enrichment, which doesn't limit to schools and educational programs, but also targets a wider, more inclusive audience such as: sports teams, athletes and associations and communities and neighbourhoods.



Due to Indigo's great involvement with the community and more specifically, their focus on the under developed schools, a great suggestion of improvement on such endeavours would be to connect students nationwide through the launch of a National Book Exchange Program. In possible collaboration with a courier delivery company, such as FedEx, students across the country can submit their unwanted used books in the designated drop-boxes located in Indigo's various store locations. Indigo is then responsible to contact the courier and distribute the books to students that have shown interest in borrowing them. An online platform will help students check book availability, place orders or holds on some high demand books. The company can also use the platform to measure its activity, analyse the most in demand books by students and evaluate impressions. Such initiative will compliment upon Indigo's already existent strive of educational success and literacy inspiration through the Love of Reading Foundation.

## 2) Charity Suggestions

### First Book Canadian Charity

First Book Canada is changing the lives of children by elevating the quality of education. They aid different educators helping low-income children. The company's marketplace and the National Book Bank effectively deliver resources to low-income communities,

from books to backpacks, crayons to computers. They also identify and respond to unmet needs and ensure the right materials are reaching the right students. They provide families free books that they can keep and own. Together they have provided more than 6 million high-quality books, educational resources, and other essentials to children from low-income groups

Partners: They work with educators and partners to identify and remove the barriers to learning and resources, creating equal access to quality education and transforming the lives of kids in need. Providing an access to book exchange programme would help in expanding their knowledge and easy availability of books.

### **Books with Wings**

Books with Wings provide picture books to First Nations children located in isolated Canadian communities. The organization wants to increase three particulars in Canada - literacy, education and equal opportunity. These critical elements aid in the transforming the lives of First Nations children.

They encourage early literacy skills among children and seek to make the book donors aware about the literacy-related challenges that affect many children. Their goal is to give a brighter future to the children. This completely relates to Indigo's aim and our new idea. This would help us to build a strong network across Canada.

### **Children's book bank:**

Since 2008, the Children's Book Bank has been providing free books and literacy support to children, living in low-income neighbourhoods of Toronto. The Bank provides access to school, camp groups, and families and children to listen, browse, and choose a favourite book according to needs and wants.

They collect old used books from families and schools that are not in market and both publishers and retailers cannot distribute them through storefronts. To reach across the city of Toronto, the Children's Book Bank offers many literacy support programs too. This organisation supports different charities too. This institution is also eligible for Indigo's Fund Raiser Program.

With a more advanced and big platform, this bank can flourish its roots more deeply in the society.

### **Textbooks for change:**

They believe in educating the next generation of doctors, entrepreneurs, and artists. They provide help to students in learning with high quality material at the cheapest price. Education helps millions of young people around the world to achieve a successful platform. This institution provides millennials with the necessary art and skills to transform their communities.



Every textbook they receive is either reused or recycled efficiently. This organization would be a help for our idea to get a specific market for different areas such as medical, commerce, communications, and reading for fun.

**3) Budget**

In our opinion, Indigo should expand the

horizons of the foundation - love of reading by providing another national platform for book exchange programme. Ever since 2004, the foundation has granted \$1.5 billion to high-needs elementary schools.

There are three parts to the donation. –

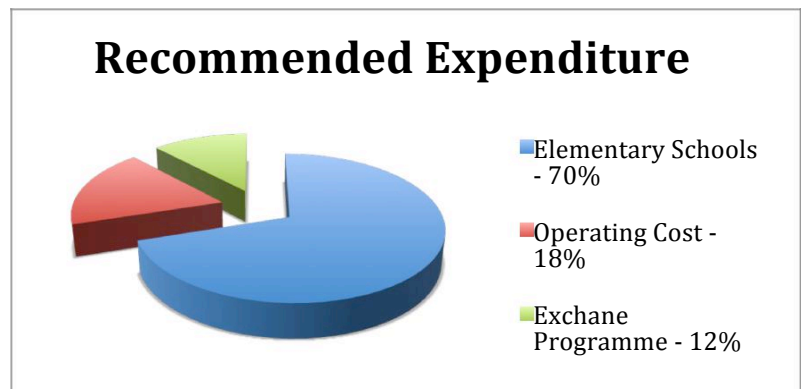
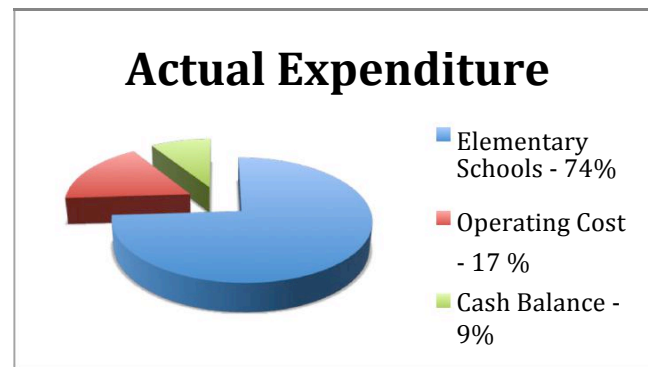
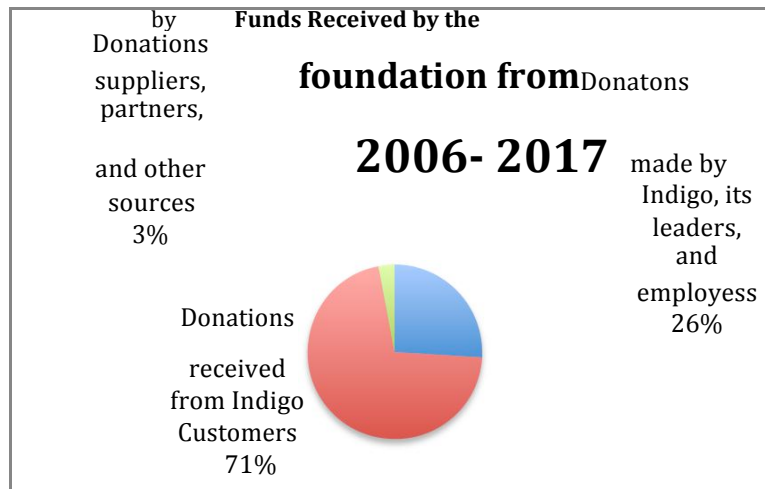
1. By Partners, suppliers, and other sources
2. By Indigo customers
3. By Indigo and its leaders and employees

The fiscal year 2006- 2017 received a total grant of \$34, 436. Out of this total, \$25, 496(74%) was granted to schools,\$5759 (17%) was the operating cost and balance \$3,208 (9%) was cash balance.

For our idea, we need a micro website, connected to the main Indigo website. Apart from that, logistics and courier services would be the major expense for our plan. Indigo already collaborates with other logistic firms to reach different stores located across Canada. This might help Indigo to negotiate for cheaper courier rates.

Overall, this idea would have some initial investment of \$2k to \$3k. However, once this idea gains popularity, Indigo could see more discounts on courier services.

We could see a reduction of spending on elementary schools by 4% and an increase in operating cost of 1%. Keeping in consideration the available cash balance, 12% should be enough for this venture.



#### **4) Governance for Donations**

**Love for Reading Foundation** in association with Indigo has devoted more than \$25 million to 900,000 children transversely Canada. This foundation's prime focus is on providing education to every child, targeting the elementary schools. The foundation provides books to the teachers, principal and other authorities to have enough stuff to teach their children. Further, two programs named: Indigo Love for Literacy Fund grant and Indigo Adopt a School Program is used to raise funds for the schools.

**Love for Literacy Fund**, with the liberality of Indigo, its clientele and its workforces, contributes \$1.5 million in library to support high- need schools across the country each year. The school gets 10% of the donation in real money frame to spend on exceptional ventures, for example, visits by uncommon visitor speakers and other proficiency related occasions thrice a year. The rest 90% of the allowance is provided to an Indigo corporate account for the buy of new books at Indigo, Chapters and Coles, which are given at a 30% rebate.

**Adopt a School** is another area of donation that rejuvenates the local needs of elementary schools across Canada. Each Indigo branch uses in- store fundraising. It also hosts online fundraising platform where the needs of local elementary school libraries are met. The schools are funded through Indigo's leadership and 100% of the donations, funds, and a part of customer purchase that goes to the elementary schools.

#### **Recommendations**

Since, people are still not clear about the donations henceforth, an online portal should be there where they can keep a look on their donated money. An online tracking system that is more transparent and accountable should be adopted.

For our idea, the donation should be received in the similar manner, but with more transparency. The books accepted for exchange should have certain limitations regarding to the condition of the book. People not having easy access to Indigo or any other book store should be given home drop and pickup service.

To conclude, our idea works directly with the existing goals and objectives of Indigo. This would help Indigo to gain more popularity and trust among its existing and new customers. Furthermore, this would help increase the literacy level across Canada.