MOBILIZING RESOURCES
A Unified Business Approach to Corporate Community Involvement

Thomas Knowlton, Vice President
• Can I ask questions during the webinar?
Yes, use the panel on the right-hand side of your screen to type and submit questions.

• How do I participate in the audience polls and discussion?
During the audience polls, a dialogue box will appear on your screen, asking you to answer a multiple-choice question. At other points, we will ask open-ended questions. If you would like to share your thoughts with the audience, please “raise your hand” by clicking the icon on the panel. You will then be un-muted and able to join the conversation.

• Will today’s webinar be recorded?
Yes, audio and video will be available and will be archived on TCC Group’s website, www.tccgrp.com.
Expectations for companies as responsible corporate citizens are rising, and stakeholders are demanding results.

Meeting those expectations requires a unified approach between corporate community involvement and corporate citizenship programs to mobilize all resources and ensure an effective, high impact result.
Session Outline

• Why Develop a Unified Approach?

• A Unified Approach to Corporate Citizenship – What Does it Look Like?

• How Do We Get There? A Six Step Roadmap

• Integrating Into the Business – Engaging and Educating Senior Leadership

• Q & A
Why Develop a Unified Approach?
Companies have evolved from simply providing charitable contributions to addressing social and environmental issues related to their business.

<table>
<thead>
<tr>
<th>Mid/Late 1800’s</th>
<th>1950’s</th>
<th>1970’s</th>
<th>1980’s</th>
<th>1990’s</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Responsibilities of the Businessman</td>
<td></td>
<td>CSR Pyramid</td>
<td>Sullivan Principles</td>
<td></td>
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<tr>
<td>Industrial welfare movement</td>
<td></td>
<td></td>
<td></td>
<td>Cadbury and King</td>
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<tr>
<td>Charitable precedence</td>
<td></td>
<td></td>
<td>Triple Bottom Line</td>
<td></td>
</tr>
</tbody>
</table>

- ISO 14001
- SA 8000
- GRI
- Responsible Care
## Evolution of Corporate Citizenship

<table>
<thead>
<tr>
<th>Then</th>
<th>Now</th>
<th>Future</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Be aware of potential business harms</td>
<td>• Minimize harm</td>
<td>• Minimize harm, focus on sustainability</td>
</tr>
<tr>
<td>• Provide charity to community</td>
<td>• Maximize benefit to community and company</td>
<td>• Maximize benefit to community, company and society</td>
</tr>
<tr>
<td>• Be responsive to key stakeholders</td>
<td>• Be accountable to and proactive with key stakeholders</td>
<td>• Be accountable to and proactive with key stakeholders</td>
</tr>
<tr>
<td>• Support strong financial results</td>
<td>• Support strong financial results</td>
<td>• Support strong financial results</td>
</tr>
<tr>
<td>• Unconnected activities</td>
<td>• Related activities</td>
<td>• Interconnected activities</td>
</tr>
</tbody>
</table>

Adapted from Boston College Center for Corporate Citizenship, “What is Corporate Citizenship?”
Restoring Trust in Corporations

Research shows that trust in corporations continues to erode:

• 62% of respondents across 20 countries trust corporations less now than they did a year ago, according to a 2009 Edelman Trust Barometer report.

• A March 2009 McKinsey Quarterly survey of senior executives around the world found that 85% believe that public trust in business has deteriorated.

• According to a Globescan 2005 survey of consumers, corporations had the lowest level of trust compared to all institutions.
Value of Community Involvement

CEOs surveyed by McKinsey and the Committee Encouraging Corporate Philanthropy (CECP) most frequently cited that community involvement’s goals should be:

• Enhancing the company’s reputation or brand

• Addressing employee concerns such as refining leadership capabilities and building employee retention and recruitment
Expectations Drive Goals and “Level” of Story

- Stakeholders have varying expectations

- Assess your portfolio of programs – what are the expectations of the priority stakeholders for each program?

- Develop your goals, and your “stories” to meet stakeholder expectations

- Some stakeholders do not need to hear about major social outcomes
A Unified Approach
What Does it Look Like?
A Unified Approach

• **Clear Goals** - Clarity about what the company “stands for”

• **Fully Leveraged Approach** - Leveraged resources that utilize the full range of company skills and resources

• **Strong Leadership** – CEO and senior leaders understand, support, and promote corporate citizenship efforts

*Difficult to achieve any of this without engaged leaders*
A Unified Approach – Walmart

WE SAVE PEOPLE MONEY SO THEY CAN LIVE BETTER.

Our Commitments

ENERGY
be supplied 100 percent by renewable energy

WASTE
create zero waste

PRODUCTS
sell products that sustain people and the environment

Message

From Mike Duke
President and Chief Executive Officer

Sustainability 360

We use an approach called Sustainability 360 to take a more comprehensive view of our business and engage our more than 100,000 suppliers, more than 2 million associates and millions of customers around the world...
A Unified Approach - Procter & Gamble

Procter & Gamble 2012 Sustainability Goals

• Products – Develop and market at least $50 billion in cumulative sales of “sustainable innovation products,” which are products that have an improved environmental profile

• Operations – Deliver an additional 20% reduction in CO₂ emissions, energy consumption, water consumption and disposed waste from P&G plants, leading to a total reduction over the decade of at least 50%

• Social Responsibility – Enable 300 million children to Live, Learn and Thrive. Prevent 160 million days of disease and save 20,000 lives by delivering 4 billion liters of clean water in our P&G Children’s Safe Drinking Water program
A Unified Approach – Coca-Cola

We strive to always be an active community partner. We will distribute Corporate giving across priority areas where we can make the greatest difference: water stewardship, active healthy living, community recycling and education.
How Do We Get There?
A Six Step Roadmap
Understand Your CSR Drivers

Corporate Citizenship Strategy / Statement
- Community Involvement
- Business Processes

Stakeholder Concerns

Business Process

Engaging stakeholders

- Geographic Influences
- Core Competencies
- Brand / Reputation
- Company Values
# Map Your Current Portfolio

## Portfolio of Programs

<table>
<thead>
<tr>
<th>Program</th>
<th>Focus of Program</th>
<th>Key Stakeholders Reached</th>
</tr>
</thead>
<tbody>
<tr>
<td>Signature Program</td>
<td>Focused on one signature issue</td>
<td>National / International Audience; Media</td>
</tr>
<tr>
<td>Major Issue or Focus Area Programs</td>
<td>Focus areas include education, health, youth, etc.</td>
<td>National / International Audience, Key Regional Stakeholders; Community Partners; Employees</td>
</tr>
<tr>
<td>Business-Driven Programs</td>
<td>Broad – Issues Directed by Client Interest</td>
<td>Clients, Business Partners</td>
</tr>
<tr>
<td>Local Programs</td>
<td>Broad – Issues Directed by Local Community Needs</td>
<td>Local Stakeholders, Employees</td>
</tr>
<tr>
<td>Employee Programs (Volunteerism, Dollars for Doers, Marching Gifts, etc.)</td>
<td>Broad and Focused on several issues</td>
<td>Employees, Community Partners</td>
</tr>
</tbody>
</table>
Map Your Current Portfolio

- CSR
- Stakeholders
- Business Processes & Product
  - Labor
  - Environment
  - Human Rights
  - Product Development

- CCI
  - Product and $ Contributions, Employee Volunteers, Cause Marketing

- 100% CCI Programs
- Combined Approach utilizing CCI & Business
- 100% Business Process Programs
## Identify Your Stakeholders

<table>
<thead>
<tr>
<th>Stakeholders</th>
<th>Needs / Interests</th>
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<tbody>
<tr>
<td><strong>Internal</strong></td>
<td></td>
</tr>
<tr>
<td>Employees</td>
<td>Building Good Reputation / Brand for Company</td>
</tr>
<tr>
<td>Foundation Board</td>
<td>Achieving Social Impact</td>
</tr>
<tr>
<td>CEO / Board</td>
<td>Integration with Business and CSR Goals</td>
</tr>
<tr>
<td>Senior Management / Executive Team</td>
<td>Employee Pride, Retention, Recruitment, Morale</td>
</tr>
<tr>
<td>Key Departments: Government Affairs,</td>
<td>Learning about Best Practices / Program Involvements</td>
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<tr>
<td>Corporate Affairs, Marketing, HR, etc.</td>
<td></td>
</tr>
<tr>
<td>Business Units</td>
<td></td>
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<tr>
<td>Regional / International Offices</td>
<td></td>
</tr>
<tr>
<td><strong>External</strong></td>
<td></td>
</tr>
<tr>
<td>Key Opinion Leaders (Influences)</td>
<td>Addressing Social/Environmental Issues</td>
</tr>
<tr>
<td>Community Partners</td>
<td>Improving Business Practices</td>
</tr>
<tr>
<td>Business Partners</td>
<td>Refining Product</td>
</tr>
<tr>
<td>Grantees / Nonprofit Partners</td>
<td>Engaging and Communicating</td>
</tr>
<tr>
<td>Shareholders</td>
<td>Transparency</td>
</tr>
<tr>
<td>Consumers</td>
<td>Putting Core Competencies of Firm to Work to Solve Social Issues</td>
</tr>
<tr>
<td>General Public</td>
<td></td>
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</tbody>
</table>
Prioritize Your Stakeholders

![Diagram showing stakeholder interest in corporate citizenship and their power/impact on the company.](image)
Assess Your Portfolio

Program Effectiveness

Program Reach

Major Focus - Environment
Major Focus - Health
Signature Program
Employee Programs
Local Programs
Business/Client-Driven Programs
Define the Role of Community Involvement

**Stakeholder Issue #1:**
Unsafe Material Used in Product

**Stakeholder Issue #2:**
General Public Concerned About Bottle Recycling

**Stakeholder Issue #3:**
Local Plant Communities Experiencing Poor Education

**Total Business Process Approach**

**Combined Approach:**
Business Process & CCI

**Total Corporate Community Involvement Approach**
Build or Redefine the Portfolio

Key Elements for Developing the Portfolio

• Engage Internal Stakeholders
• Develop Clear Goals
  • Logic Model Process
• Leverage Resources
  • Employees
• Develop Realistic Implementation Plan
• Create Framework for Measurement
• Establish Internal Systems
Pfizer
Global Health Fellows
GAP
This Way Ahead Program
Integrating into the Business
Engaging and Educating Senior Leadership
Integrating with the Business

• Connect to the flow of information and power within the company

• Leverage external and internal resources

• Align the company culture
Structure for Engaging Leadership

- **Strategic Goals**
  - C-Suite Executives: Approve/ Promote
  - Senior Leaders and Managers: Review/ Feedback/ Promote
  - Community Stakeholders, Grantees: Engage/ Provide Input
  - Community Involvement Staff: Lead/ Implement/ Coordinate
Resources

Visit www.tccgrp.com to access our free online resources:

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- Webinars
- Podcasts