

21ST CENTURY CORPORATE CITIZENSHIP

A Practical Guide to Delivering
Value to Society and Your Business

BY

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INTRODUCTION

We have always had a strong belief that the science and art of corporate citizenship are fundamental to differentiated business success. This has played out in our personal careers and in the careers and companies we've had the opportunity to influence. As we started to talk about the need for a "how to" book that addresses the fundamentals of corporate citizenship practice, we realized that the two of us had, between us, almost 60 years of experience working in some dimension of corporate citizenship. Though Dave started in environmental health and safety management and Katherine in philanthropy, both of our career paths converged at the intersection of those disciplines and corporate citizenship strategy. As a team, we drafted this book to provide a resource for those in the field — whether you are just starting out, are a more experienced corporate citizenship professional who is rethinking all or part of your corporate citizenship program, or a CEO seeking to get the best out of your corporate citizenship team. We hope you will use this book as a helpful desk resource that can help you think through the solutions that create the most value for your company, your shareowners, and for society.

Dave Stangis is Vice President of Corporate Responsibility and Chief Sustainability Officer for the Campbell Soup Company. Campbell's portfolio of products extends beyond soup to foods such as Pepperidge Farm breads and Goldfish crackers; Arnott's, Kjeldsens, and Royal Dansk biscuits; V8 beverages; Bolthouse Farms super-premium beverages, carrots, and dressings; Garden Fresh Gourmet salsa, hummus, dips and chips; Plum organic baby

food; Swanson broths; Prego pasta sauces; and Pace Mexican sauce.

Dave created and now leads Campbell's Corporate Social Responsibility (CSR) and sustainability strategies. As such he oversees the company's execution of CSR and sustainability goals, policies, programs, engagement, and reporting, from responsible sourcing and sustainable agriculture to social impact metrics in the community. Since arriving at Campbell Soup, the company has been named to the Dow Jones Sustainability Indices, the 100 Best Corporate Citizens List, and as one of the World's Most Ethical Companies.

For more than 20 years, Dave has been leveraging corporate responsibility principles to generate business and brand value. Prior to joining Campbell, he created and led the Corporate Responsibility function at Intel. He led a global CSR network organization, a role which gave him insight into corporate citizenship across the world. He's also served on the boards of Net Impact, the Graham Sustainability Institute at the University of Michigan, the University of Detroit College of Business, the United Way of Greater Philadelphia and Southern New Jersey, and Ethical Corporation Magazine. In 2008 and 2013 he was named one of the 100 Most Influential People in Business Ethics by *Ethisphere Magazine*. *Trust Across America* has named him one of the Top 100 Thought Leaders in Trustworthy Business Behavior for four years running.

He earned his MBA from the University of Michigan, his Master of Science in Occupational and Environmental Health from Wayne State University in Detroit, and his undergraduate degree from the University of Detroit.

Katherine Valvoda Smith is Executive Director of the Boston College Center for Corporate Citizenship in the Carroll School of Management. She oversees all the center's activities and strategic ventures, and teaches "Managing Business in Society" in the Carroll School of Management MBA program. The purpose of

the center is to help corporate citizenship professionals know more, do more, and achieve more with their corporate citizenship investments by understanding the foundations of how companies create good in the world and add value to their businesses through their environmental, social, and governance (ESG) investments.

The center has conducted research about the practice of corporate citizenship for more than 30 years, developing the deep knowledge and insights that help corporate citizenship professionals manage and improve performance in the ESG dimensions of their companies. The BC Center for Corporate Citizenship supports more than 430 (and growing) members each year; as its executive director, Katherine has had the opportunity to work with dozens of companies and to observe closely the corporate citizenship practices of hundreds of companies and thousands of practitioners.

Before joining the BC Center as Executive Director, Katherine held various academic and administrative positions in higher education and in nonprofit organizations. Throughout her career, Katherine has worked to support several large-scale public-private partnerships and research projects. These include a series of corporate, foundation, and university research partnerships focused on multidisciplinary science initiatives, and on social issues, including education and healthcare. She has also served as an advisor to numerous Fortune 500 companies. She earned her BA from Cleveland State University and her Master's Degree from Rhode Island School of Design.

THE PRACTICAL GUIDE

We spend a lot of time within our own spheres at Campbell and the Center for Corporate Citizenship building models and strategies that deliver results ranging from reputation management to employee and community engagement. We also spend a lot of time providing advice and structured programs to our peers and other companies about how to leverage these disciplines for true business value. We wrote this book to share these perspectives and provide a guide for those who are either just starting out in Corporate Citizenship, CSR, or any effort that touches the environmental, social, or governance (ESG) dimensions of business — or who want to refresh or refine their CSR program.

We want to set a little context upfront about what this book is, and perhaps more importantly, what it's not. First and foremost, this is a book about building a successful business in the 21st century. It's a book about leveraging all the tools, trends, and assets at the disposal of business to drive bottom-line results, value chain resiliency, productivity, innovation, long-term shareowner value, and benefit for the community. We set out to provide a set of practices and checklists that can help you ensure that you are considering ESG impacts and assets to create competitive advantage for your company and a better world for us all. We will use terms like sustainability, corporate responsibility, and social impact to help explain our concepts and translate some of our frameworks, but this is all about creating the most successful business possible in the 21st century competitive landscape.

We initially thought about writing a leadership book, or book on the leadership characteristics needed to run a successful business in the 21st century. But honestly, leadership books are a dime a dozen. Our libraries are full of great leadership books, written by great leaders. They're enjoyable to read and they offer great stories. They offer challenges and improvements to our personal leadership behaviors and help us develop as human beings.

In all of those books, we had not found a simple, and practical "how to" guide for building a comprehensive corporate citizenship strategy anchored in purpose, and leveraging rapidly evolving external environmental dynamics. That's what we set out to do here. You can dive into the examples and resources to any depth you desire. If you work your way through the sections of this book and implement the tools and tactics we offer, you will develop both yourself as an effective advocate for corporate citizenship and your organization's 21st century business strategy will be more resilient, agile, and successful than your competitors.

We wrote this book with several audiences in mind. For the individual corporate citizenship/CSR professional seeking to navigate his or her own meaningful career in the purpose-driven economy; for the CEO who wants to drive real change and agreement among subordinates about the measures of accountability of corporate citizenship; or the board member who wants to know the kind of questions he or she needs to ask to ensure management is paying attention to the right things. All of the profits from the sale of this book will benefit the BC Center for Corporate Citizenship.

CONNECTING CORPORATE CITIZENSHIP TO BUSINESS PURPOSE

What's the purpose of the company you work for? Stop and think about that for a moment. Why was it originally created, even if that was many years ago? This can be an interesting question to ask, and a difficult one to answer. There's a very good reason to make the effort. In the process of exploring these issues, you'll learn how to design a corporate citizenship strategy and program that is relevant, comprehensive and — most importantly — that works. This in turn will enable you to become more knowledgeable and successfully influential within your company.

All successful businesses were created originally to fill a market need or solve a societal problem. This is the core of the purpose. The purpose of your company could have been to make life more convenient, to provide something essential, or even to create an exciting experience. Depending on how long your corporation has been around it may still be providing that same solution; alternatively, the company may now be selling products and services that address problems that did not exist at your founding with solutions that were unimaginable. At its core, a successful company delivers something to the world that only it can provide in its distinctive way. It's a special point of differentiation from its competitors. Purpose is the reason your company exists. It is related to

vision and precedes strategy. When you have your company's core purpose clear, it should guide your corporate citizenship.

Let's look at some sample company websites to better understand the concept of purpose (Table 1).

Table 1: Company Business Purpose

This is the Company's Purpose	This is How They Realize Their Purpose
"3M is a global innovation company that never stops inventing."	"Over the years, our innovations have improved daily life for hundreds of millions of people all over the world. We have made driving at night easier, made buildings safer, and made consumer electronics lighter, less energy-intensive and less harmful to the environment. We even helped put a man on the moon."
"Campbell Soup Company's purpose: Real Food That Matters For Life's Moments."	"For generations, people have trusted Campbell to provide authentic, flavorful and readily available foods and beverages that connect them to each other, to warm memories, and to what's important today."
"McDonald's reaches customers with enjoyable meal experiences wherever they are."	"McDonald's is innovating new tastes and choices, while staying true to customer favorites. Modern service. Personal engagement. Great-tasting burgers and fries. Building on our commitments to our people, our communities, and our world."

The purposes of the example companies have changed relatively little over time. It's the *way* they realize their purposes that's evolved, as their operating contexts have changed over the years.

It's not always easy to uncover this core purpose, but if you can get it right you'll have a solid foundation that provides the justification and boundaries for your business strategy and corporate citizenship program. What's more, unlocking a company's core purpose can unleash many new ideas, helping you to think more imaginatively and broadly about how corporate citizenship can contribute to your company's purpose and