



Businesses Take

The increasing importance of
corporate social responsibility

by RaeAnne Marsh



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Action



There's been a growing movement of Conscious Capitalism and, in Arizona, the passage of a benefit corporation law. It's all part of the increased attention to corporate social responsibility.

Business extends into every aspect of people's lives and touches every point on our planet. Many businesses have come to take on a responsibility to forces outside their individual workplaces or corporate offices.

The philosophy sustaining corporate social responsibility (CSR) manifests differently from business to business. Hear from businesses in our community how they live the philosophy and help others in their own endeavors.



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What does “corporate social responsibility” mean to your company?

As a consultation and a corporate social responsibility practitioner and expert, I define CSR as how a company responsibly contributes to the betterment of society. Because each company has a different business focus, the way they give back is based on the services or products they produce — so CSR can come in many forms. It is within this huge arena that the strategic component of a truly world-class CSR program comes into play, as only those who are deliberate and dedicated reap the true benefits that CSR can bring to their business.

How is this different from philanthropy (or is philanthropy part of it)?

Philanthropy is absolutely a component of CSR as companies need to be of service to the organizations that make our communities a better place and many times these come in the form of charities. However, CSR, as an overarching umbrella has many components. CSR involves operating using sustainable practices, educating and activating employees to be of service, engaging customers, creating programs to enhance corporate culture such as employee resources groups, as well as, raising funds through campaigns, contributing money and in-kind resources and finally elevating a company's brand through larger-reaching cause-marketing opportunities.

How does your company incorporate corporate social responsibility into its business model?

At 11Eleven Consulting, we aid businesses to find the best ways they can specifically make a positive impact. We also give back by donating a percentage of proceeds to causes we care about.

Our partners have given back in a variety of ways, each one relating to what they do as a business. Through a “round up for charity” program in which customers can donate spare change to positively impact like-minded organizations and by also donating a portion of proceeds to worthy water-minded causes, Xtreme Canteen is leveraging its reach to aid those less fortunate. In a completely different arena, Universal Technical Institute and its TechForce Foundation has launched an education-based campaign along with Advanced Auto Parts, Shell, Nissan and many more to dispel the misperception that automotive tech jobs are a trade rather than the engineering-focused, technical roles that they are today.

So, CSR can come in many forms but, ultimately, it is about companies leveraging any resources they have to make the world a better place.

What do you feel are the most significant outcomes to your company — or to the companies you work with — of incorporating corporate social responsibility?

The results of a strategic, sustainable, effective CSR program can be significant. Companies that truly invest in having an authentic, wide-reaching program can aid all parts of their business. It can improve the company's public image, increase media coverage, boost employee engagement, attract and retain investors and top talent, and create a competitive advantage for its brand.

According to the Cone Communications Global CSR Study, 84 percent of consumers consider CSR when deciding what to buy or where to shop, 82 percent which products and services to recommend to others, 84 percent which companies they want to see doing business in their communities, and 79 percent where to work. Ultimately, CSR can make or break a brand, depending on its level of commitment and the authenticity of its programs.



Matthew P. Feeney

Chairman
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What does CSR mean to your company?

Snell & Wilmer's commitment to corporate social responsibility dates back to the founding of our firm by Frank Snell and Mark Wilmer in 1938, and is deeply embedded in our culture. Our firm credo, which has been widely embraced by attorneys and staff in each of our nine offices, includes three core values:

- For our clients, we will work hard, provide superior legal services on a timely, effective and efficient basis, and maintain the highest standards of professional integrity.
- For our firm, we will foster an enjoyable working environment, based on open communication and mutual respect, and will encourage initiative, innovation, teamwork and loyalty.
- For our community, we will continue our long tradition of service and leadership.

Those core values emerged as the consensus of our partners after discussions with our founders, attorneys and staff; they were not established by management fiat.

As a firm, we embrace a broad definition of corporate social responsibility. In addition to what is expressed in our core values, we, as professional problem-solvers, also feel a responsibility — both as a firm and as individual lawyers — to proactively identify and address issues that adversely affect the people and communities around us.

How is this different from philanthropy?

Philanthropy is an important element of Snell & Wilmer's broader commitment to corporate social responsibility. For example, we established the Snell & Wilmer Charitable Foundation in 2002 to have a positive and direct impact on the lives of children in the communities we serve by →



- ➔ supporting and enhancing their early education through monetary grants. In addition to the Foundation's good work, the firm and our individual attorneys and staff contribute millions of dollars to charitable organizations — and devote thousands of volunteer hours to philanthropic pursuits — every year.

How does your company practice CSR?

Snell & Wilmer has a long history of taking on issues and working collaboratively with other community leaders and stakeholders to tackle them. In 1963, the firm helped shape Arizona history by representing the State of Arizona in *Arizona v. California*, in which rights to water from the Colorado River were allocated by the U.S. Supreme Court to the lower basin states, including Arizona.

In the late 1980s, Snell & Wilmer developed a formal pro bono policy, which both reflected and encouraged the firm's long-standing commitment to providing pro bono services. Perhaps most significantly, under the policy, firm attorneys receive hour-for-hour credit toward their annual billable goals for pro bono legal work performed on behalf of clients who cannot afford to purchase legal services. Snell & Wilmer was one of the first firms in the country to adopt such a policy. In 2016, our attorneys provided more than 15,000 hours of pro bono services, with a value of more than \$6 million.

More recently, Snell & Wilmer has showcased the firm's commitment to corporate social responsibility through our work with veterans, both those who work within the firm and outside in the community. For eight consecutive years, for instance, Snell & Wilmer has played a vital role in supporting the "Arizona StandDown," an annual two-day event that is held at the Veterans Memorial Coliseum and provides a wide array of services to at-risk veterans, including a legal clinic.

Most significant outcomes:

One of our first partners, Bud Jacobson, who was a leading contributor to the Phoenix arts and cultural scene for decades, said it best when younger attorneys would ask him whether becoming involved in the community was a good "business development strategy." He replied that it was not. He encouraged our young lawyers to get involved in the community because it was the right thing to do. He also said that it was good for Snell & Wilmer's clients to see that their lawyers were interested in bettering the community. "People want to be proud of their lawyers," he would say. He would add that legal work always finds good lawyers who are good people.

Our commitments have also helped Snell & Wilmer attract and retain talented lawyers and staff — and they promote a culture of engagement, productivity and pride within the firm. In that regard, we are proud to have been recognized in several national surveys for our working environment. In both 2015 and 2016, Chambers Associate Guide ranked Snell & Wilmer in the top 10 law firms nationally in its "The Happiest Law Firms" survey, which involves a rigorous interview process. Late last year, Snell & Wilmer received a perfect score of 100 percent on the 2017 Corporate Equality Index, a national benchmarking survey and report on corporate policies and

practices related to LGBTQ workplace equality, administered by the Human Rights Campaign Foundation.

To highlight one initiative of which we are particularly proud: Nearly a decade ago, Snell & Wilmer recognized that our recruiting efforts to diversify our law firm were not yielding the results we were seeking. As a result, in 2009 we launched the "Snell & Wilmer Pre-Law Program" to improve the pipeline of diverse candidates by focusing on self-identified diverse undergraduate students, with the ultimate goal of improving diversity in all law firms. Subsequently, we expanded the program to create the Fellowship for Advancement and Resources (FAR) Program.

FAR is a holistic pipeline initiative demonstrating Snell & Wilmer's commitment to matters concerning diversity and inclusion in the workplace and legal profession. The fellowship was designed to assist deserving candidates (Fellows) with broad resources to assist their efforts to become successful lawyers. More than a dozen law schools have partnered with Snell & Wilmer and waive application fees. Since its introduction, the firm has named eight FAR Fellows of diverse backgrounds across the country. Mentoring attorneys maintain contact with the FAR Fellows while the students are in law school.

Also: What are legal considerations that make "corporate social responsibility" its own distinct practice specialty?

My practice is concentrated in corporate governance matters, and I particularly enjoy advising corporate boards and board committees, so there are several dimensions to my interest in corporate social responsibility. The study of business ethics goes back decades, but events like Enron's collapse, the passage of Sarbanes-Oxley and Dodd-Frank, and, most recently, the advent of "benefit corporations" in Arizona have all contributed to — and, in some cases, altered the course of — the discussion over the past 20 years or so.

From a strictly legal standpoint, the key principle in my mind is something we refer to as the "business judgment rule." In other words, each company's board should have the ability to exercise its business judgment in determining all aspects of what "corporate social responsibility" means for that company — including whether it is important for the company in the first place, how it should be prioritized relative to other business objectives, and how any related initiatives should be implemented. I have my own views, which are informed by my experiences as a partner and leader of Snell & Wilmer — but there is no "one size fits all" approach to these issues, and other business leaders ought to have the flexibility to determine what is right for them.

In the midst of all the rhetoric about Wall Street and corporate greed, I think it is important for people to realize that many companies — public and private, large and small — are doing lots of good things in and for our communities. Snell & Wilmer is very proud not just to serve many of those companies, but also to be one of them.

For more insight on Snell & Wilmer's extensive and significant endeavors, visit www.inbusinessmag.com and read the full response online.



Adam Goodman

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What does CSR mean to your company?

Corporate social responsibility isn't a phrase we use at Goodmans because it infers that social responsibility is an adjunct to the company's purpose instead of being core to the company's purpose. The phrase itself implies that the company has some other, more important responsibility that takes primacy over social responsibility. Usually, that primary purpose is enriching shareholders.

Creating value for shareholders is, of course, essential. But it is *not* the reason for our existence. At Goodmans, we exist to serve our communities and to make them better. John Mackay, the co-CEO of Whole Foods, puts it this way, "My body cannot function unless it produces red blood cells. But that's not the purpose of my life. Similarly, a business cannot exist unless it produces a profit . . . but that's not the only reason it exists."

How is this different from philanthropy?

To fulfill our purpose, we challenge ourselves to deploy our assets, resources and talent for the benefit of the community. We have office space, warehouses, trucks, talented designers, cool furniture . . . all kinds of assets, resources and talent that we can leverage to help fill a community need. This is how we became a foster clothing bank, a source for free furniture for nonprofits, a start-up incubator for purpose-based businesses, and much more.

How does your company practice CSR?

The purpose of Goodmans is to serve our communities. Every single day we are doing something creative to support a need in the community. Sometimes they are big projects, like starting a foster clothing bank from scratch that serves 150 families each month. Sometimes they are small, like mentoring a local small business by surrounding it with expertise in sales, finance, operations, human resources, marketing and strategy. Sometimes they are expensive, like dedicating manpower and warehouse space to a free furniture repurposing program for nonprofits. Sometimes the costs are marginal, like offering free office space and support to inspiring, ambitious purpose-based businesses.

Most significant outcomes:

Like everyone else on planet Earth, I want to have a purpose in my life; a sense of contributing to something greater than myself. By working at Goodmans, our employees are connected to our purpose of serving the community. Their efforts are contributing to something bigger and more fulfilling than simply chasing a profit. Even while they are engaged in unglamorous, day-to-day tasks that are fundamental to doing business, our employees know that they are making a difference. And *that* is worth getting out of bed for.



Kimber Lanning

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What does CSR mean to your company?

Corporate social responsibility means a business operates not just to make money, but to have a positive impact on the community. It means business owners focus on triple bottom line (people, planet and profit) and take into consideration how their operations affect their employees, customers and the environment, while still turning a profit.

How is this different from philanthropy?

Philanthropy is part of it, but CSR is bigger than donating money to charity. For example, a business that is sourcing goods and services from local, startup, mission-based business is providing opportunity for that business grow; a business that is recycling is helping divert items from the landfill and reducing the amount of raw materials that need to be pulled from the earth; a business that is offering employee perks such as paid sick time or profit sharing is creating high-quality jobs that are highly sought after; a business that advocates for things that are important to its industry or community inspires others to help make positive change; a business that offers grants, funds or donates a percentage of its profits to causes that are important to it helps impact change. Operating a business with CSR in mind means that the business is continually thinking about its impact on the community in many different areas, rather than occasional donations.

How does your company practice CSR?

It is easiest to incorporate CSR initiatives into a business from the start, but businesses can work on this at any time. They can start small by engaging their employees to help set goals, which gives the workers a sense of accomplishment in doing something good and that their input matters. Local First Arizona offers the Quick Impact Assessment through its partnership with B Lab, an organization that certifies businesses based on CSR. This is a great way for a business to gauge its strengths and which areas to improve upon. Business owners can spend a lifetime working on CSR, so it's important to keep in mind that small steps can make big impacts.

Most significant outcomes:

Many businesses that operate with CSR in mind say that one of the biggest benefits is, their employees have a pride in their workplace and they attract employees who want to work for a company that appreciates them. There also tends to be a higher sense of loyalty from customers who are proud to support businesses that are doing good for their community, and a high level of collaboration between business owners who are like-minded.



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MAR
28

The 2017 Fast Pitch Showcase will be held March 28. See the calendar listing on page 31 for more information.

What does CSR mean to your company?

For Social Venture Partners Arizona, corporate social responsibility is an opportunity for organizations to provide financial support, time and talent to the communities where employees live and play. For SVPAZ specifically, companies seeking to add or expand their social responsibility is an opportunity for us to partner.

Each year, our Fast Pitch program engages Valley nonprofit leaders, students and social entrepreneurs who are creating real and lasting impact in Maricopa County. The program trains leaders to powerfully communicate their story, and connects them with influential business and community leaders who can help them achieve their goals. We vet applicants to find the most innovative nonprofit and social entrepreneurs in our community, and award them with grant money and support. Our Partners invest their time, talent and dollars with our Investees (our SVP Innovator award winners) to help shape their impact in our community. So, the Partnership has the opportunity to create real change.

There's a demand for more than just money from organizations. We're seeing an increased desire from the workforce to contribute more through active engagement within the workplace. These organizations and employees have significant resources and experience, and are no longer interested in "check philanthropy" (though the dollars help!). We also provide philanthropic education to our Partnership, equipping the Partners to go back to their companies and implement best practices in how to engage with nonprofits and why it is important to do so.

How is this different from philanthropy?

I would suggest philanthropy is a part of social corporate responsibility — but there's a far more active role expected of organizations (by its employees) to help shape communities in a deeper and more meaningful way. This is where SVPAZ becomes highly relevant. We invest in collaborative solutions by building powerful relationships to tackle local social challenges.

How does your company practice CSR?

Our mission is to build stronger philanthropists as we strengthen Valley nonprofits to deeply impact our community.

Our capacity building work is critical — our efforts to address board governance, finances, time and volunteer hours cannot be underestimated. While our Partners are volunteers, they are vitally important to the health and well-being of Social Venture Partners Arizona and all the nonprofits we touch. Since its inception in Phoenix, SVPAZ has donated more than \$4.3 million to 120-plus ventures and schools. Our 350 Partners (both former and current) have volunteered more than 25,000 hours to strengthen nonprofits. And Fast Pitch is a great introduction to that work.

Most significant outcomes:

Fast Pitch brings together 20 nonprofit organizations, three social entrepreneurs, three ASU students, more than 60 mentors comprised of business and community leaders, eight judges comprised of leaders from positions of influence, sponsors from all industries, and 650-plus business influencers to one event.

The Fast Pitch competition is a high-energy, rapid-fire presentation event during which nine finalists share the mission, vision and impact of their organization with the audience and judges — in just three minutes — and compete for more than \$50,000 in funding. It's this exposure that makes a lasting difference — regardless of the final outcome.

This year, one of our previous ASU student innovators is back, competing as a nonprofit. We have other organizations returning with different leaders. And one of our favorite stories of impact is a relationship forged between the Delta Dental Foundation and Phoenix Community Toolbank. Jana Smith of the Phoenix Community Toolbank was a finalist a few years ago. While she didn't win grant money, Sandi Perez from Delta Dental approached her during the networking portion of the night to create a partnership that remains strong and vibrant today. Delta Dental contributes dental equipment to the Phoenix Community Toolbank for nonprofits to rent. It's this synergy and impact that drives us to continue to grow and expand.

We added a social entrepreneur category this year. We're seeing trends in the marketplace where more for-profit organizations with social missions are helping solve our social problems. So, we are testing this category to recognize those companies leading the revolution in the Valley.

How does your company practice CSR?

The mission of the Center for Mentoring Excellence™ is to elevate individual and organizational mentoring excellence by providing mentoring training, coaching, consultation and program evaluation services.

Most significant outcomes:

Mentoring training helps create a mentoring mindset and skill that can be applied at work, at home and in the betterment of one's community.



Lois J. Zachary, Ph.D.

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What does CSR mean to your company?

Mentoring has all the employee advantages, plus it creates and strengthens networks, facilitates alignment of the organizational culture, accelerates employee transition, promotes employee engagement and productivity, supports and expands diversity and advances inclusion, enhances career development, manages knowledge within the organization, increases commitment, trust and collaboration, promotes job retention and is a powerful tool for attracting and recruiting new talent.