

An aerial photograph of a city street during a protest. Large, bold, yellow letters spelling 'BLACK LIVES MATTER' are painted across the asphalt. Several people are walking on the street and sidewalk. In the background, there are buildings, trees, and a white tent on the right. The text 'CORPORATE SOCIAL RESPONSIBILITY IN A TIME OF PANDEMIC, PROTESTS + POLITICS' is overlaid in white, bold, sans-serif font across the top half of the image.

CORPORATE SOCIAL RESPONSIBILITY IN A TIME OF PANDEMIC, PROTESTS + POLITICS

**Foundation for the Carolinas
Charlotte Corporate Affairs Professionals
August 4, 2020**

CSR IN FLUX

Global pandemic exacerbated existing social issues

Intersection of responsibility, racial inclusion and equity

Greater demand to address systemic issues and needs

Greater scrutiny of those actions or inaction

Greater expectations of internal leadership

HOW CSR LEADERS ARE RESPONDING

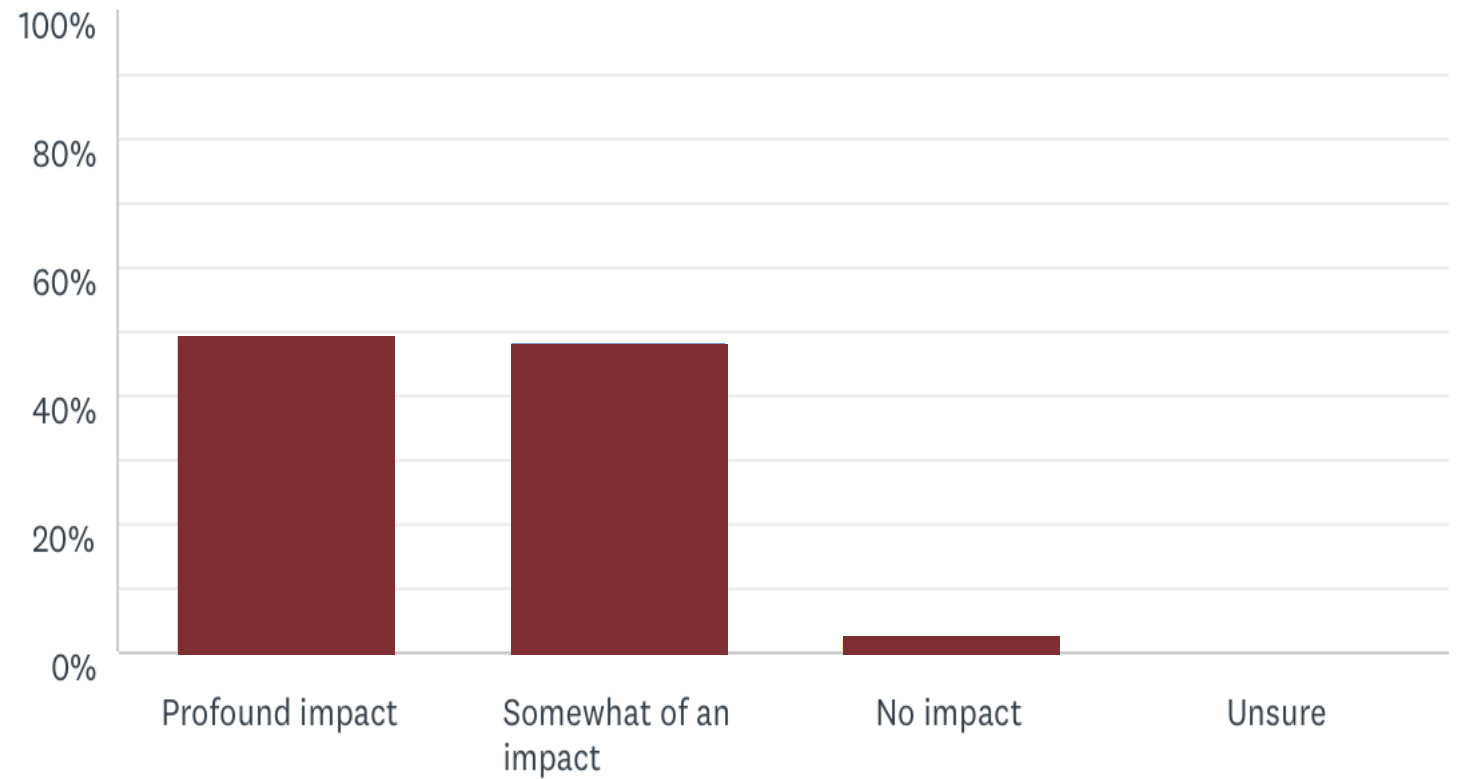
Rocket Social Impact + the Association of Corporate Citizenship Professionals (ACCP) partnered in May-June 2020 to gather data-driven insights from CSR leaders the impact of COVID-19 and racial equality protest on their strategies, resources and grant-making

Survey responses capture nearly 100 senior level CSR respondents (i.e. Director, Senior Director, Vice President)

OVERALL HOW WOULD YOU DESCRIBE THE IMPACT OF COVID-19 ON YOUR CSR EFFORTS?

Data Point:

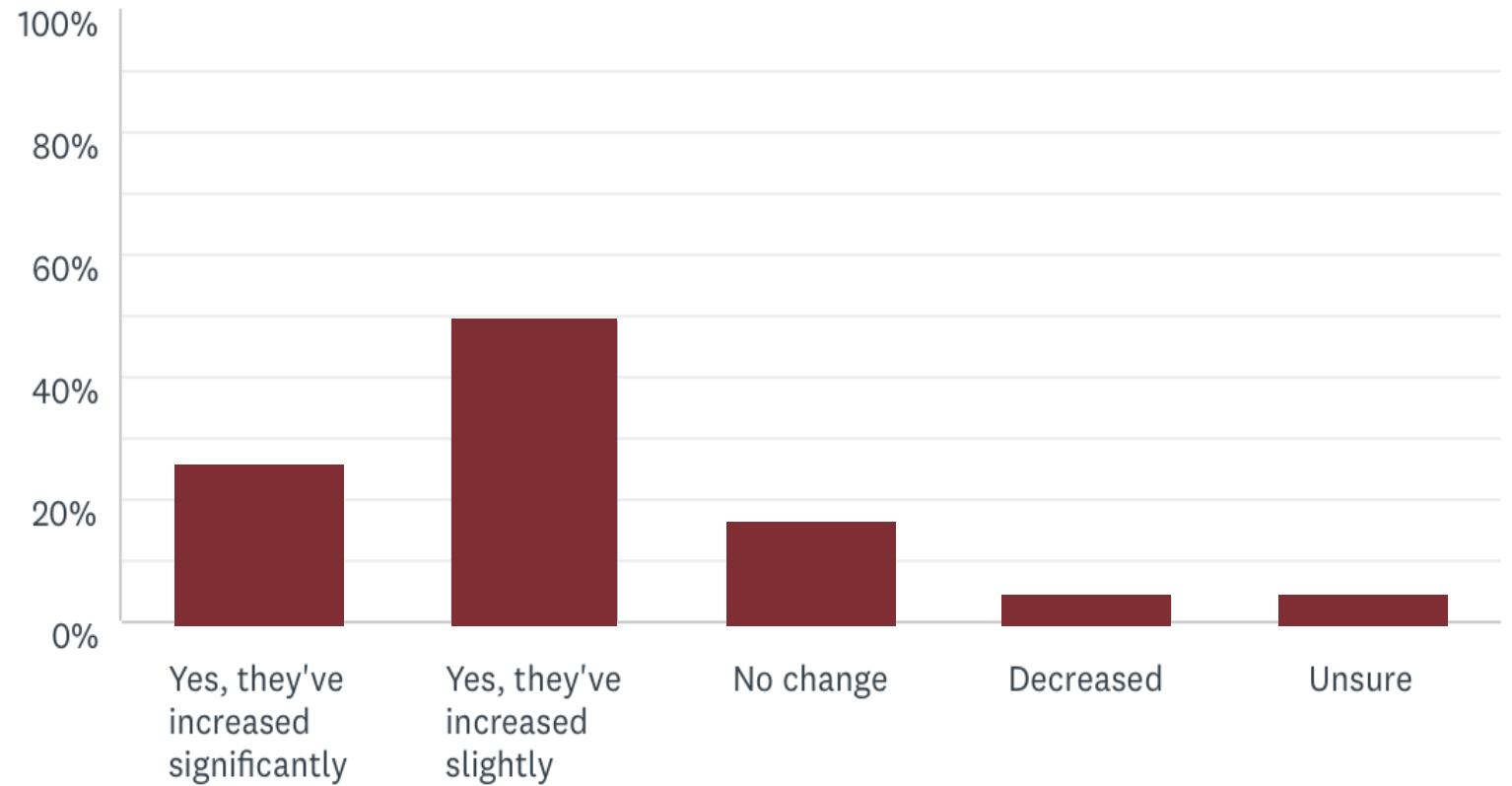
97.8% of survey participants report an impact on their CSR efforts.



HAS YOUR COMPANY LEADERSHIP'S EXPECTATIONS OR DEMANDS OF CSR CHANGED?

Key Data Point:

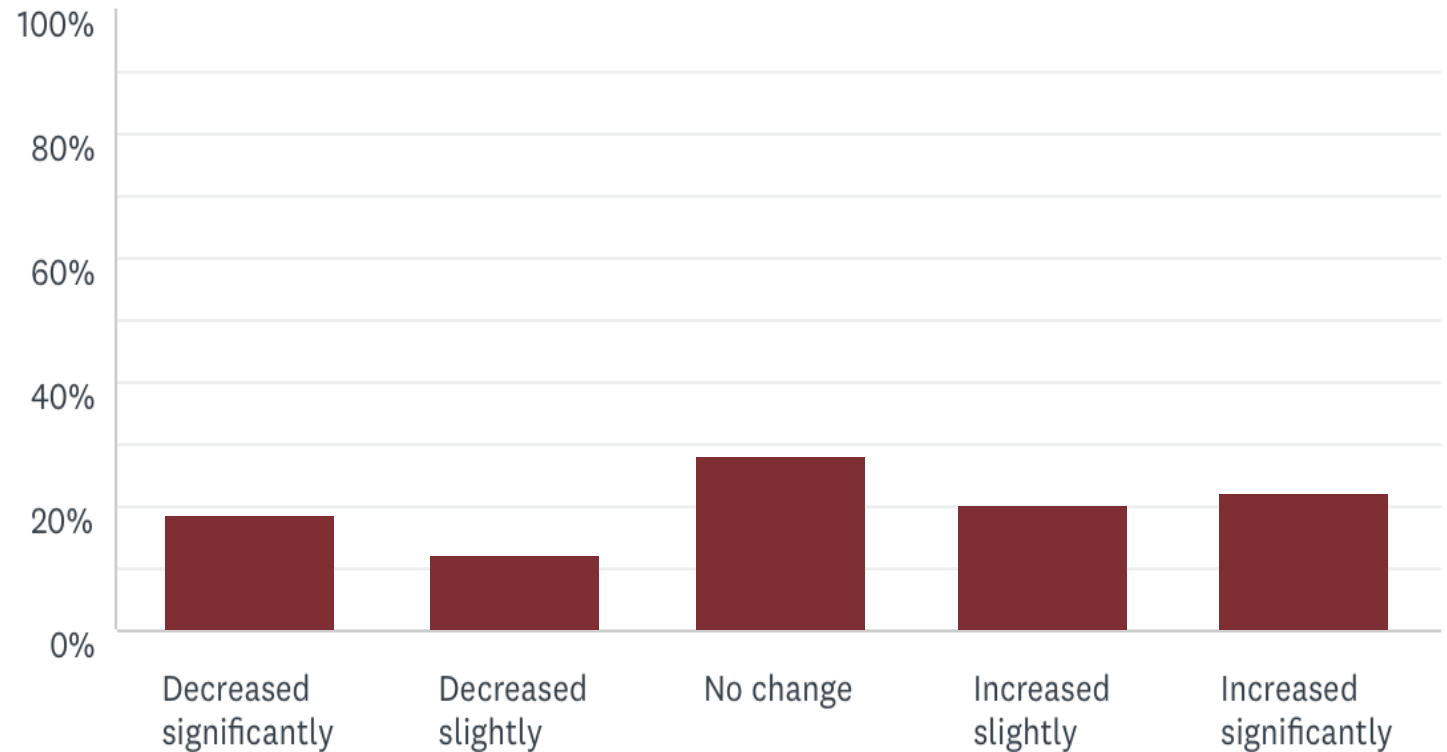
Nearly **75%** of survey participants report an increase in leadership's CSR expectations or demands.



WHAT HAS BEEN THE IMPACT ON YOUR CURRENT FISCAL YEAR'S CSR CONTRIBUTIONS BUDGET?

Key Data Point:

While impact on current fiscal year budgets vary across the board, nearly **30%** of participants report no change in their fiscal year budget.

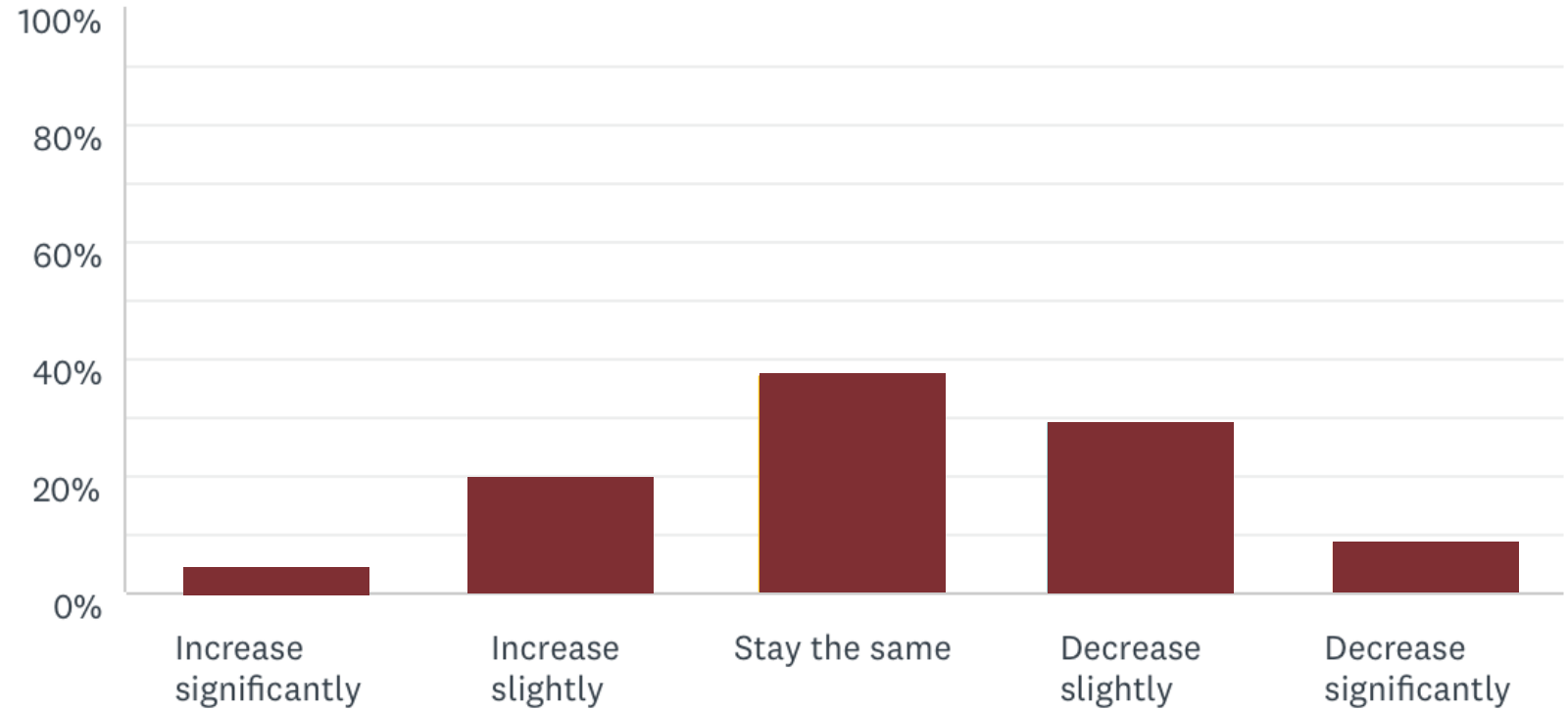


WHAT DO YOU ANTICIPATE WILL HAPPEN TO YOUR CONTRIBUTIONS BUDGET NEXT FISCAL YEAR?

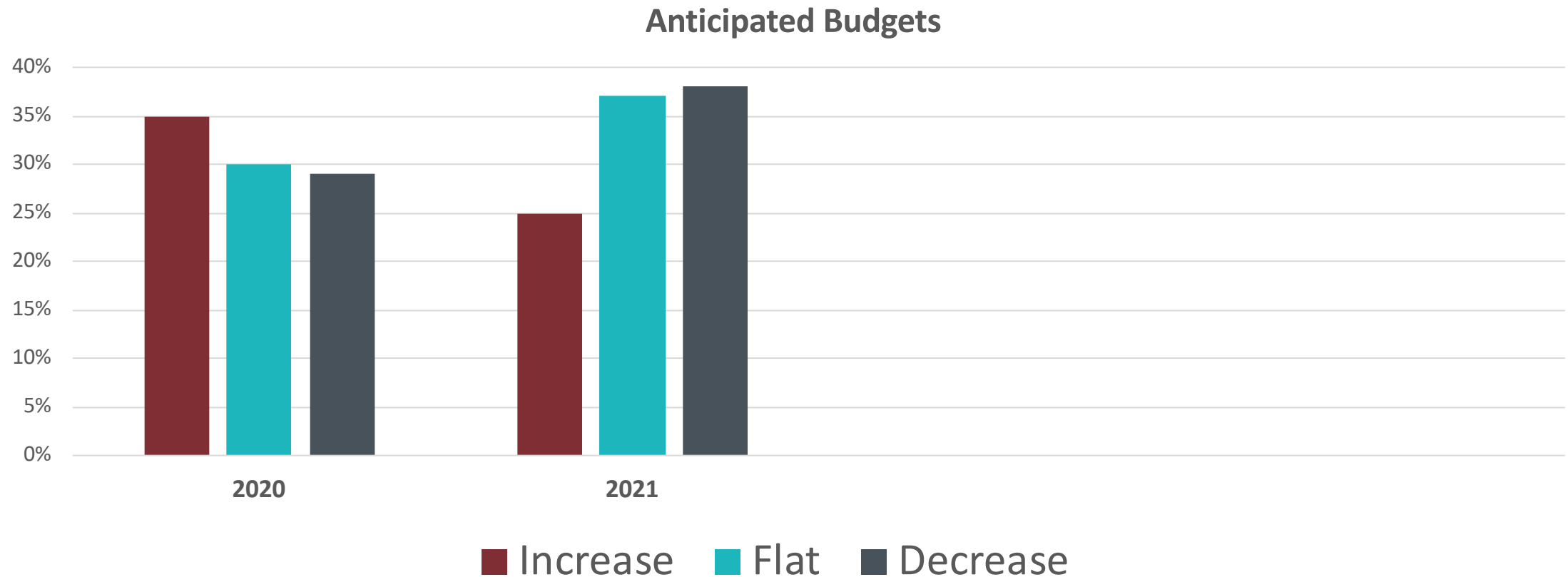
Key Data Points:

38% of participants anticipate a decrease in their contributions for next fiscal year,

37% of participants predict no change in their contributions budget.



KEY INSIGHT: WHILE CSR BUDGETS INCREASED THIS YEAR, MANY ANTICIPATE A DECREASE IN 2021

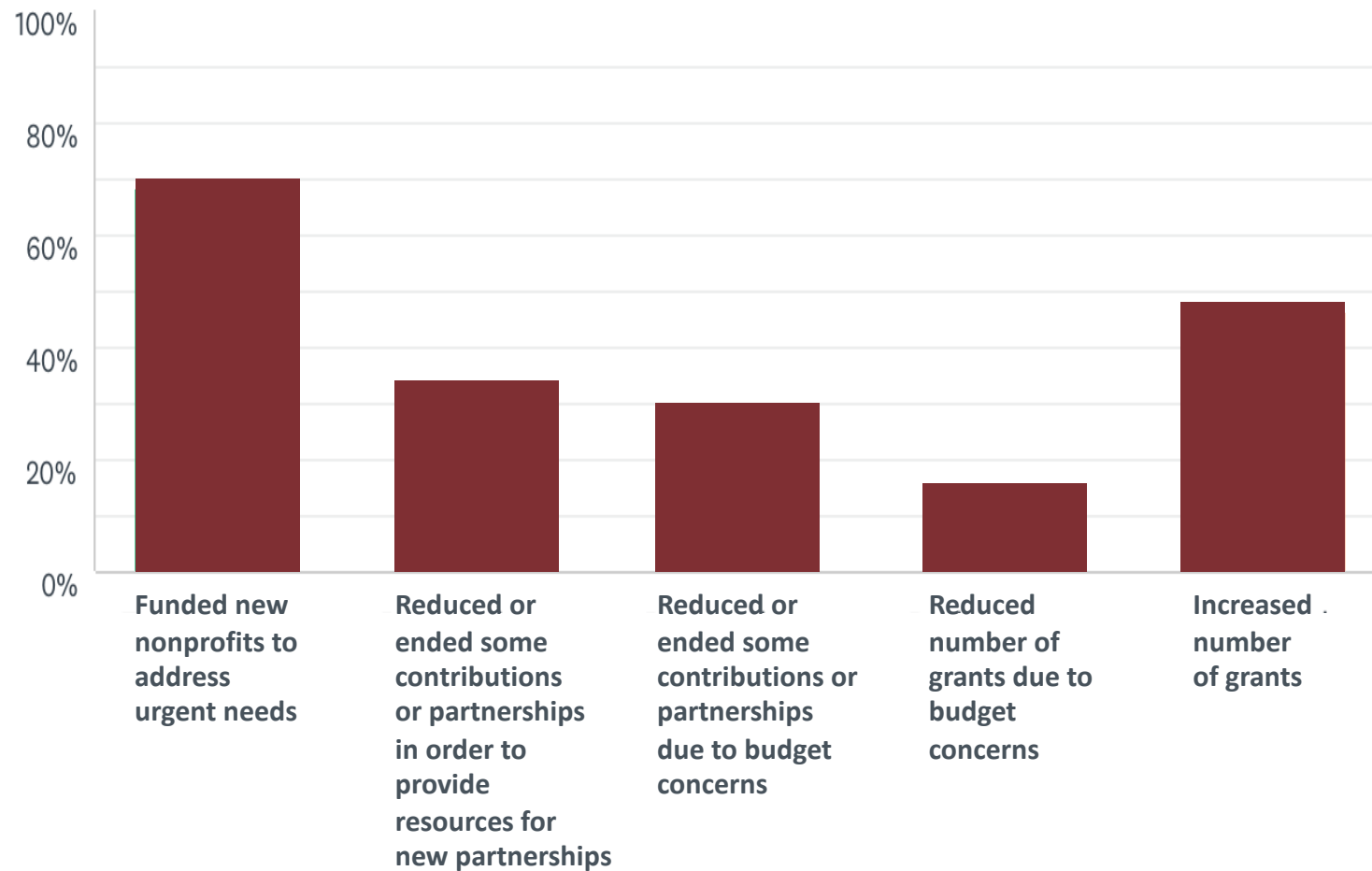


HOW HAS YOUR GRANT-MAKING CHANGED DUE TO COVID-19? CHECK ALL THAT APPLY.

Key Data Points:

Over **68%** of participants report that they have funded new nonprofits to address urgent needs.

Over **1/3** of participants report a reduction or ending some partnerships to provide resources for new ones.

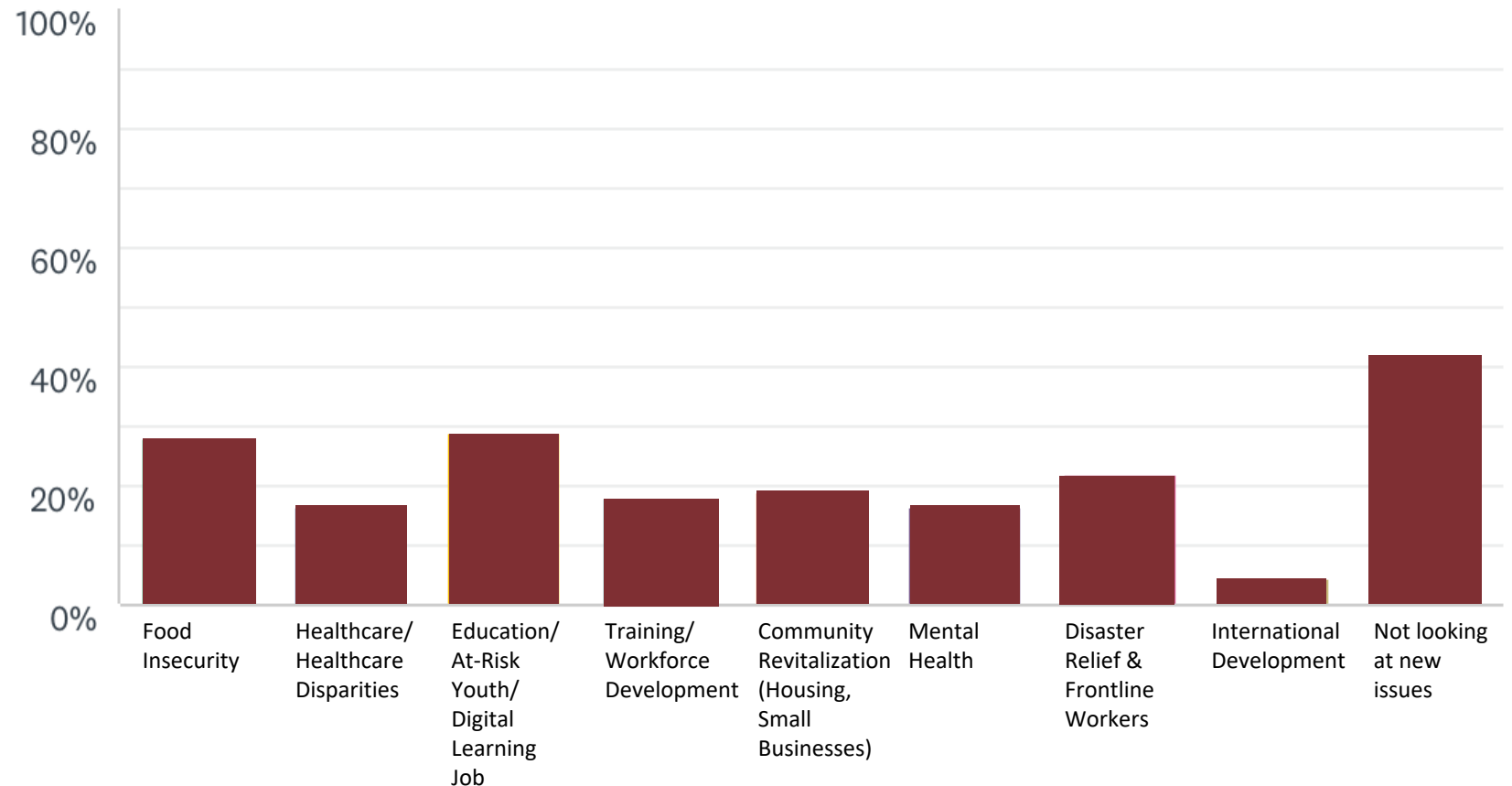


IF YOU'RE LOOKING INTO SUPPORTING NEW ISSUES IN YOUR NEXT FISCAL YEAR, WHAT ARE THEY? CHECK ALL THAT APPLY.

Key Data Point:

60% of participants report that they are looking at new issues to support in their fiscal year.

For those that are exploring new issues, food insecurity and education are the leading issues.



WHAT ARE YOUR GREATEST CONCERNS MOVING FORWARD? RANK IN ORDER OF CONCERN.

Key Data Point:

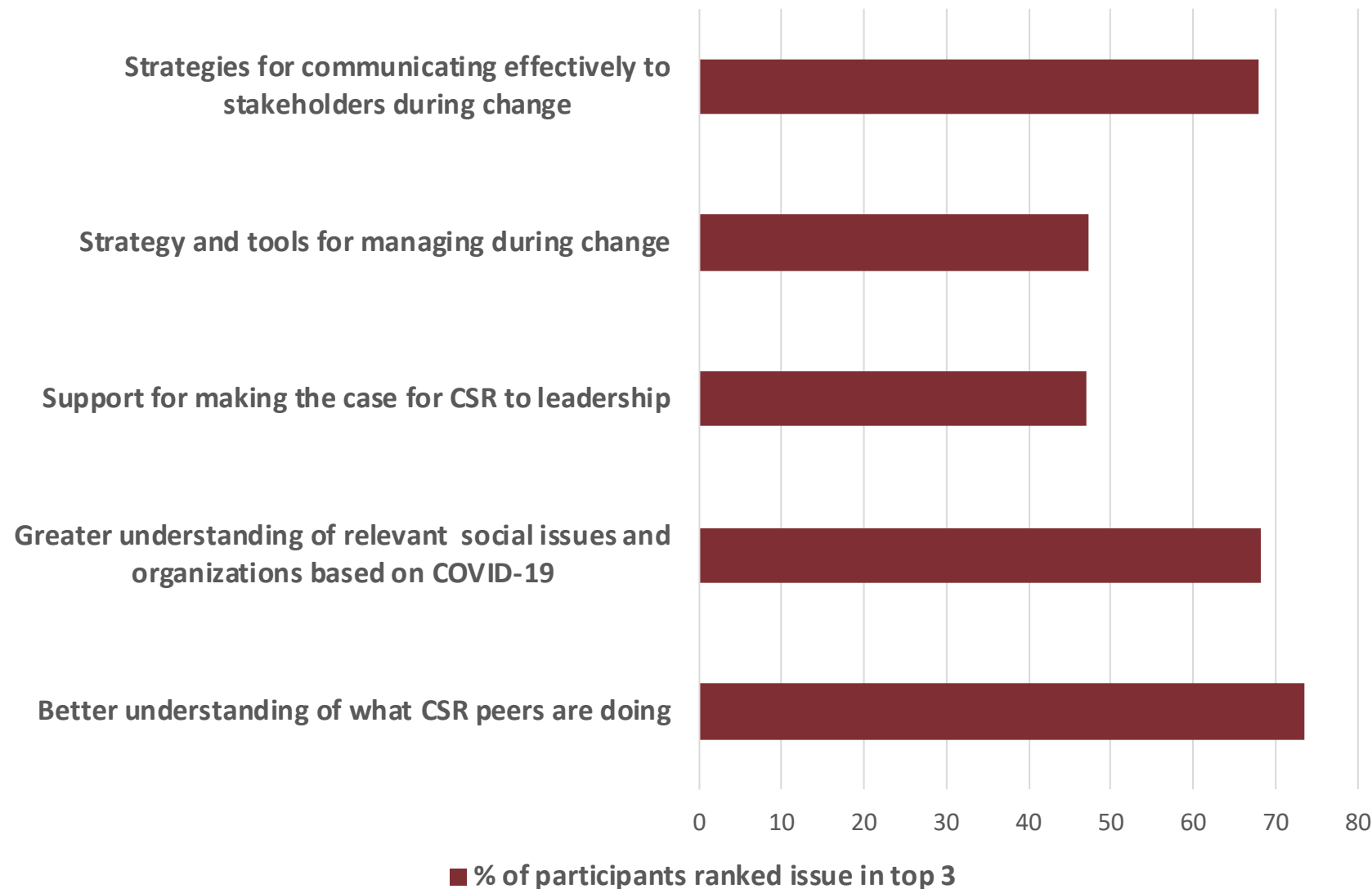
While concerns are varying across the board, **ensuring adequate budget and resources** are in place post-COVID-19 was the leading concern ranked #1 and #2 for survey participants.



ASIDE FROM BUDGET, WHAT RESOURCES WILL BEST HELP YOU ADAPT YOUR CSR EFFORTS DUE TO COVID-19? RANK IN ORDER OF CONCERN.

Key Data Point:

Participants report greatest concern is better understanding of what CSR peers are doing, followed by understanding of relevant social issues and communication of CSR efforts.





RACIAL EQUITY IMPACT ON CSR

CONSUMER POINT OF VIEW: RISE IN EXPECTATIONS

- **80%** say companies need to recognize their role in systemic racial inequality. *Porter-Novelli 2020 Business Imperative For Social Justice Today*
- **80%** say they wish more companies would be honest about their past mistakes or biases in addressing or talking about race. *Porter-Novelli 2020 Business Imperative For Social Justice Today*
- **85%** of Americans expect companies to help address racial inequality (up from 81% in 2018). *Porter-Novelli 2020 COVID-19 Tracker*

SAME WITH EMPLOYEES

- **35%** of employees are reconsidering their current job because their company is not doing enough to address social justice issues externally. *Porter-Novelli 2020 Business Imperative For Social Justice Today*
- **56%** of employees say purpose feels like a PR exercise instead of a business strategy. *YourCause and Blackbaud Industry Review Issue #8*
- **38%** report that they have spoken up to support or criticize their employers' actions over a controversial issue that affects society. *Weber Shandwick's 2019 Employee Activism in the Age of Purpose: Employees (UP)Rising*

GOING BEYOND THE STATEMENT OF SUPPORT

We witnessed with COVID-19 outbreak, multiple companies providing multiple statements of support

Data highlights that consumers and employees want and expect more

Recognize the urgency to back-up your statement of support with action





WHERE TO BEGIN

1) PRIORITIZE INTERNAL CHANGE

Conducting internal audit of policies, procedures and programs

Developing new efforts to achieve greater diversity and equitable

- Development of internal working groups or task force.
- Internal Trainings/Education
- Committing to greater diversity of leadership and Board members
- Review of HR policies to encourage more hiring of at all levels
- Acceleration of Diversity & Inclusion initiatives
- Review of company lexicon used in job descriptions, HR materials and materials

2) RE-EVALUATE CSR PRIORITIES, PROGRAMS → PARTNERS

What are the right issues to focus on in/after COVID-19 and social justice

Some companies are evolving away from initial strategy to embrace to new issues related to inequality on education, technology, health or justice

- Sunsetting current budgets, programs and partners
- Adding racial equity to current CSR strategy



Racial Equity & Awareness
Initiative



Job Training & Digital Skills



Opportunity Gap Program



BEYOND MEAT™

Social Change Fund

INCORPORATING RACIAL EQUITY INTO CURRENT EFFORTS

Lastly other companies are exploring how to address racial equity through current CSR priorities.

Asking how are racial disparities standing in the way of positive change

Examples:

- Bolstering current STEM efforts with grants to ensure greater equity in education
- Reviewing grants with emphasis on systemic issues tied to food insecurity such as food deserts
- Addressing lack of black business mentors as a means to improving financial literacy among younger blacks

3) MORE THAN DOLLARS

- Better representation in advertising and corporate materials
- Internal anti-bias and race trainings
- Pushing for passage of Federal legislation, i.e. H.R. 40
- Assessing diversity and equity of sourcing and supply chain vendors
- Providing time-off for employees to vote



Making it easier to
Find black owned business



Using equality activists
in their ads



Conducting research on health
needs in black communities



Develop fund to encourage
black owned businesses

4) CONSIDER THE POWER OF YOUR VOICE

Some companies more comfortable with a role focused on promoting information, discussion and education on racial social justice and equality

- Partnering with African-American influencers
- Promoting social media conversations and content
- Encouraging greater understanding and education on racial inequality
- Incorporating message in advertising and marketing materials

WHAT THAT LOOKS LIKE



**nickelodeon IS GOING OFF THE AIR
FOR 8 MINUTES AND 46 SECONDS
IN SUPPORT OF JUSTICE, EQUALITY
AND HUMAN RIGHTS.**

5) STRENGTHEN D+E+I → CSR INTEGRATION

Companies are beginning to explore a more strategic integration
Of diversity and responsibility efforts

Both inherently aim to help unrepresented audiences

Both can deliver positive social impact

Both can deliver positive business impact
in the workforce, workplace and marketplace

- Increase employee recruitment & retention
- Boost reputation externally

WHAT THAT LOOKS LIKE

Grant Making: Unintended bias training for CSR team; D&I team providing input on grants



Events/Holiday/Awareness Days: Coordinating promotion and donations and extending beyond one-off moment

Employee resource groups: Providing guidance to ERG's on company's CSR priorities and partners

Employee volunteerism: Ensuring appropriate representation of employees



ABOVE ALL.....ENSURE AUTHENTICITY

Avoid the disconnect between words and actions
Seek to empower vs. exploitative

External Statement on Tuesday



Starbucks Coffee 
@Starbucks



Black lives matter. We are committed to being a part of change.

You can find educational resources at sbux.co/learn.

We are committed to taking action, learning, and supporting our Black partners, customers and communities.	The Starbucks Foundation is committing \$1 million to organizations promoting racial equity and more inclusive and just communities.
We will continue to work to confront bias and racism.	Organizations will be nominated by Starbucks partners (employees).
We have partnered with Arizona State University to design anti-bias resources and training.	We are actively hosting open and necessary conversations with our partners (employees) about racism the Black community faces.
You can access these courses at no cost at sbux.co/learn	Our work does not end here.

8:03 AM · Jun 4, 2020



4.1K 4.2K people are Tweeting about this

Internal Policy on Thursday

Starbucks Won't Let Employees
Wear Gear That Supports Black
Lives Matter Because It Is Political
Or Could Incite Violence

AN AREA TO KEEP AN EYE ON

The New York Times

July 22, 2020

A Company Backs a Cause. It Funds a Politician Who Doesn't. What Gives?

In the wake of racial equality movement, activists are beginning to track corporate PACs and governmental relations activity.

Calling out companies whose efforts don't align with stated CSR priorities

IN SUMMARY

Challenging time for CSR professionals

Increase in expectations, scrutiny, authenticity

It's critical to Go Beyond the Statement!

There are many ways to have a credible impact without new dollars



THANK YOU!

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