



Corporate Social Responsibility and Employee Recruitment and Retention: A Primer

Presented by the *Massachusetts Business Roundtable*
and the *UMass Boston Emerging Leaders Program Team*

SPRING 2009

special thanks...

The Emerging Leaders Team would like to extend special thanks to all the companies and the executives who took the time to speak to our team regarding their corporate social responsibility efforts.

We would also like to thank the Emerging Leaders Program for allowing us to work on these projects and the Massachusetts Business Roundtable for sponsoring this project.

Last, but not least, we would like to thank our employers for allowing us the time to participate in the Emerging Leaders Program.

the emerging leaders team

The team working with MBR on this project is composed of participants in the Emerging Leaders Program (ELP) at UMass Boston. Founded in 2001, ELP fosters a strong network among mid-career professionals who share an emphasis on diversity and collaboration. Each year, ELP participants undertake group research projects to explore an issue of critical importance to Boston and the region. This year's projects focused on philanthropy. The six individuals, from both the private and public sectors, who worked with MBR on this project are:

- Bridget L. Hindle, Sovereign Bank
- Cuong P. Hoang, Mott Philanthropic
- Chris Lavoie, AT&T
- Raj Menon, NSTAR
- Quintina Palmer-Woods, Brown Brothers and Harriman
- Shaké Sulikyan, Pine Manor College

MBR working group on corporate social responsibility

MBR's Board of Directors voted to establish the Corporate Social Responsibility Task Force in 1999 to consider how the quantity and quality of charitable giving in the Commonwealth could be enhanced. More recently, the Task Force has focused on strategies for encouraging, managing and improving corporate social responsibility in Massachusetts in the face of rapidly changing corporate ownership. MBR's Task Force members are:

- Perri Petricca, Petricca Industries, Chairman
- Timothy Murnane, Comcast
- Sonia Alleyne, Sovereign Bank
- Marcy Reed, National Grid
- Cathleen Finn, IBM
- Rachel Riccardella, State Street
- Thomas Goematt, Shawmut Construction
- Trish Robinson, MassMutual
- Vicki Grisanti, EMC
- Ken Rossano, Korn Ferry
- Stephanie Lee, Verizon
- Jeff Saviano, Ernst & Young
- Linda McGowan, Hanover Insurance
- Charlie Watts, Towers Perrin
- Cathy Minehan, Arlington Advisory Partners

table of contents

Introduction	1
Methodology	2
Corporate Citizenship and Employee Retention—Current Trends	2
Key Findings and Best Practices	3
Conclusion	5
Company Profiles.....	7
Blue Cross Blue Shield of Massachusetts	7
Brown Brothers Harriman & Co.	8
EMC ²	10
Genzyme	11
IBM	13
Petricca Industries.....	14
Putnam Investments.....	15
Staples.....	16
Wainwright Bank & Trust Company	17

introduction

The Massachusetts Business Roundtable's (MBR) agenda emphasizes that a dynamic, healthy, competitive economy is an essential foundation of social and economic progress for all the people of the Commonwealth. As such, MBR focuses on five main policy areas: education and workforce development; health care; transportation and infrastructure; fiscal policy; and Corporate Social Responsibility (CSR).

MBR's Board of Directors voted to establish its Corporate Social Responsibility Task Force in 1999 to consider how the quantity and quality of charitable giving in the Commonwealth could be enhanced. More recently, the Task Force has focused on strategies for encouraging, managing and improving corporate social responsibility in Massachusetts in the face of rapidly changing corporate ownership. MBR has released two CSR publications and has held a series of public forums across the state.

Under the previous Task Force Chair, Peter Karoff, Chairman and Founder of The Philanthropic Initiative (TPI), MBR released a "Primer for Strategic Corporate Philanthropy" in 2000. The Primer provided a compilation of best practices of MBR members, reflecting their experiences, insights and corporate giving philosophies. While some of the companies highlighted in the Primer have merged or exist under different names, the information it includes remains relevant today and is helpful to companies interested in the benefits of strategic philanthropy and different models of corporate philanthropy and community involvement structures.

More recently, in 2006, MBR's CSR Task Force held a series of public forums to engage a discussion about strategies for encouraging, managing and improving corporate social responsibility in Massachusetts in the face of rapidly changing corporate ownership.

In 2008, under the leadership of the current Chair of the CSR Task Force, Perri Petricca, CEO of Petricca Industries, MBR asked the Emerging Leaders team to survey businesses, corporate philanthropy leaders and trade associations about how they use CSR and corporate philanthropy strategically to recruit and retain employees. These "best practices" have been compiled into this report, similar to the model of MBR's 2000 Primer. The purpose of this report is to update the 2000 Primer and provide models and recommendations to corporations seeking to successfully use CSR as a recruitment and retention strategy.

methodology

MBR charged the Emerging Leaders team to conduct research and report on the impact of CSR on employee recruitment and retention efforts. The ELP team selected a cross-section of Bay State companies from various industries to gather information for this report.

To select the companies, the ELP team used the following sources:

- MBR Task Force Members
- Reports from the Boston Business Journal pertaining to Corporate Philanthropy
- Suggestions from Dr. Sherry Penney
- Team Member Networking Connections

To gather information about the company’s CSR strategy and how it relates to employee recruitment and retention, the ELP team conducted interviews with senior executives, human resource specialists and community relations and corporate giving personnel at some 20 organizations. In addition, the ELP team researched national trends and national research to gain perspective from both employers and employees about the impact of CSR strategies on recruitment and retention.

The information contained in each company profile offers a summary of key CSR elements for each company, focusing primarily on philanthropic initiatives and employee involvement programs. In addition to the individual corporate profiles, this report provides a compilation of findings, as well as a summary of research conducted by various sources.

corporate citizenship and employee retention— current trends

In recent years, because of increased pressure on bottom-line results, growing competition and globalization, businesses have been under pressure to increase productivity, streamline operations, contain costs and deliver maximum shareholder value and profit. In order to accomplish all this, companies find that they must recruit and retain the best and the brightest employees.

There is growing evidence that a company’s CSR activities comprise an increasingly important way to attract and retain good employees from all generations. Contrary to early research that suggested CSR was more important to young professionals, researchers are now finding that CSR is valued by employees of all experience levels and generations.

As mentioned in an article by C.B. Bhattacharya, Sankar Sen and Daniel Korschen, in the Winter 2008 issue of the MIT Sloan Management Review, “in general, CSR initiatives reveal the values of a company and thus can be part of the ‘employee value proposition’ that recent studies indicate is the lens through which managers must view talent management today. CSR also humanizes the company in ways that other facets of the job cannot.” As Brad Googins and Cheryl Kiser, members of the Boston College Center for Corporate Citizenship, pointed out in the September 5, 2008 issue of the Boston Business Journal, “Today’s employees want to be part of an enterprise that cares about more than its bottom line. They want to be part of a company whose values are expressed in its engagement and contributions to the community.”

It is not surprising, then, that as more and more companies try to differentiate themselves from their competitors, they must treat Corporate Social Responsibility as far more than charity. CSR must be a core component of their business model.

In the Global Workforce Study (the largest study of its kind, surveying nearly 90,000 employees in 18 countries, focused on what drives attraction, retention and engagement) conducted in July 2008, Towers Perrin found that CSR “is in fact linked to how well employees perform.” In other words, “CSR extends to the bottom line.”

More specifically, the Towers Perrin study found that CSR is the third most important driver of employee engagement overall. The study also found that “for companies in the U.S., an organization’s stature in the community is the second most important driver of employee engagement. This is important because higher employee engagement levels are highly correlated with better business performances as measured by revenue, earnings and other key business metrics.”

key findings and best practices

Based on interviews with senior executives, human resource specialists and corporate giving personnel at some 20 organizations, our team identified five best practices for corporations seeking to engage their employees in their philanthropic giving and volunteering programs.

create and maintain a clear link to the company's mission and secure executive endorsement

Throughout all of the interviews conducted by the ELP team, corporate leaders emphasized that CSR is central to their corporate cultures. CSR decisions are inextricable from the companies' business decisions, and these decisions flow from the top down and from the bottom up.

At **Genzyme**, CSR is "part of the organization's DNA." Since its founding as a small start-up in 1981, Genzyme has always been committed to being a good corporate citizen in communities around the globe where the company has a business presence. The entrepreneurial spirit that is central to Genzyme's culture is also central to its CSR efforts.

For over two decades **Wainwright Bank & Trust Company** has been steps ahead of the industry with a socially progressive agenda like no other bank in the country. When many of the 14,000 banks in existence when Wainwright was founded in 1987 were devoting themselves to maximizing only the financial bottom line, Wainwright was planning a strategy that would depend not only on doing well but also doing good. The Bank's social justice platform, its second bottom line, is fueled by the business platform, and in turn its social justice initiatives help fuel business—these are mutually supportive. The Bank's many progressive initiatives have helped the bank acquire over \$820 million in assets, making it among the largest 700 banks in the country.

At **Brown Brothers Harriman & Co.**, the senior management stands behind their community involvement efforts. This provides the CSR initiatives the much-needed executive endorsement to make the programs successful with employees from all levels.

engage employees at all levels as decision makers and leaders in regard to CSR targets and activities

Corporate philanthropy and volunteer programs are opportunities for employees from throughout the company to become engaged citizens, both with their communities and with each other. Well-designed programs provide mechanisms for garnering input from employees and give employees choices as to how they might contribute. Recognizing that executive leadership will set the general direction for a corporation's CSR programs, employees should play a central role in helping to define and refine these programs. Employees can help identify specific projects worthy of corporate investment. They can provide constructive feedback once a CSR program is launched as they participate, witness its impact and consider how the program might be improved.

At **IBM**, employees can nominate local charities where they have volunteered to receive donations of IBM equipment. This helps to put IBM's corporate philanthropy into the hands of its employees.

At **Putnam Investments**, employees have always played a key role in shaping the CSR initiatives. Fifteen years ago, when the program first began, employees were surveyed in order to determine the focus areas for the company's philanthropic and volunteer efforts. Employees have continued to be a part of the decision-making process by serving on various CSR committees throughout the years.

leverage employees' skills and their ability to make positive contributions to the community

Employees deploying their skills to benefit a community can give them confidence in the positive contributions they can make and help the community see the employees—and the corporation—in a new light.

At **Unistress Corporation, part of Petricca Industries**, “in-kind” contributions have enabled a sense of ownership in the organization’s CSR strategy by leveraging the company’s biggest asset, its employee skill base. As a manufacturer of precast/prestressed concrete products and specialists in road construction and large-scale highway infrastructure, Petricca’s employees have unique skills in construction and heavy equipment operation. Employees are often called upon to utilize their experience in non-traditional ways that benefit the community they live in. Whether clearing land or constructing parking lots or playgrounds, the employees are encouraged to participate by leveraging their expertise as machinery operators and engineers. Not only could Petricca’s employees feel proud about the contributions they made to Pittsfield, community members witnessed first hand the skill required to operate heavy machinery—and saw these crewmen with new appreciation.

Verizon Foundation’s Volunteer Incentive Program (VIP) allows employees to register their volunteer hours to get cash awards for their favorite nonprofits and public schools. Employees who complete a minimum of 50 hours of volunteer service can earn \$750 grant awards for their organization. Verizon allows employees to earn two VIP awards each year.

The BlueCrew program offers **Blue Cross Blue Shield of Massachusetts** associates the unique opportunity to perform valuable community services during non-work and normal work hours. With their leader’s approval, associates can take one paid day of volunteer leave a year to volunteer for corporate-sponsored or corporate-approved community activities. The more than 1,000 BlueCrew members have spent countless hours serving the community, allowing employees to leveraging their current skills in addressing community needs.

provide opportunities for employees to develop new skills

CSR programs provide valuable opportunities for employees to become engaged in new ways, not just as active citizens in their communities but also as valued team members when undertaking team projects. When employees take on new roles that are different from the ones they hold at their corporation, they are learning new skills—and their co-workers can recognize different strengths they might not employ in the workplace.

At **Staples**, one of the goals for the corporate responsibility program (Staples Soul) is to develop more leaders with global perspective. For example, rather than spend resources on planning recreational events during company-wide meetings such as golf outings or gambling nights, Staples sometimes organizes community volunteer opportunities during trainings/conferences for its management and associates. Staples has seen that community involvement has helped employees develop skills that are outside of their day-to-day work, such as project management skills, leadership skills and interpersonal skills.

In the fall of 2003, **EMC²** entered a partnership with North High School in Worcester, MA. EMC is the corporate partner to the Technology and Business Small Learning Community in North High School. EMC employees provide support for the State Scholars Initiative (a national initiative that has business volunteers visit local high schools and encourage students to take more challenging courses to better prepare for college and the workforce) and volunteer assistance in the classroom. These initiatives allow employees to develop skills outside of their professional expertise.

encourage teamwork through group volunteer programs

Group volunteer programs allow team members to work with each other in new ways. By working together on projects outside of the office, employees can gain a better understanding of their co-workers and appreciate talents that may not be apparent within the work environment. This is also a time to have fun together.

Managers at Putnam Investments, [Blue Cross Blue Shield of MA](#), [Staples](#), [AT&T](#), and several other companies have used volunteer projects as team-building opportunities. Managers reported that their staff worked better together after participating in a group volunteer event.

Developing these best practices requires commitment on the part of corporations. In the best cases, a team of stakeholders within the corporation are driving the development of formal programs to engage all employees in the corporation's philanthropic and volunteer programs.

conclusion

To maximize the impact of its CSR efforts, a company must have a strategic approach to corporate citizenship. This strategic approach should have the following components:

form meaningful partnerships with nonprofits

Many large corporations have vast, well-funded and well-planned CSR programs and strategies that are indeed vital in terms of their impact on funding and public policy toward broad initiatives that affect public welfare in general. However, it can be difficult, if not impossible, for the general employee population to equate their contribution to the goal with its success, as it may not be visible to them in their daily lives. As noted in the Primer and the Company Profiles, the ELP team found that some of the most successful CSR programs incorporate local/regional initiatives into their overall program. Increasingly, companies and charities are forming partnerships rooted in mission alignment, resulting in significant benefits to both the nonprofits and the for-profits.

use core competencies—donate skills as well as money

This should be approached with care and thought. In-kind contributions can often be watered down into transient activities that are disconnected from the organization's philanthropic goals. However, as you can see from the Company Profiles in this Primer, there are many cases in which employees can leverage unique skills that can often be out of reach for many nonprofits and has the added benefit of being a tangible, visible contribution. Examples of this include volunteer efforts such as the public works/construction projects that Petricca Industries has participated in as well as larger, more formalized programs such as IBM Corporate Service Corps in which high potential IBM employees participate in community service projects in developing countries around the world.

work with nonprofit on issues that align with business objectives

For organizations that are just beginning to explore a formalized CSR program, it's recommended that they first focus on issues that align well with business objectives. This can happen on a number of different levels as shown by the participants in this Primer. For example, EMC works directly with certain school districts within Massachusetts to provide much needed funding in the areas of math, science and technology. The alignment is natural and has a two-fold benefit. EMC and other similar organizations require a large pool of well-educated talent as both employees and customers. Its program helps develop both.

learn from mission-driven organizations

For some organizations, the social mission is in fact the corporate mission. Wainwright Bank would be an outstanding example of the rare organization that is able to blend and balance its needs as a corporation with those of the community that it serves. The Bank manages to do so in such a way that it greatly increases its Total Value. That would be defined as not only the value that it creates in financial terms but also the value in creating a stakeholder in the community. Current thought leaders in the CSR space suggest that an innovation transformation in which corporations are refocusing resources on social needs is already underway.

company profiles

Blue Cross Blue Shield of Massachusetts

Blue Cross Blue Shield of MA (BCBSMA) is proud of its longstanding legacy of community giving. In addition to contributing to a variety of charitable organizations, the company remains dedicated to community partnerships that use new ideas and resources to address health-related and social issues throughout Massachusetts.

Wearing bright blue T-shirts with BlueCrew logos, the Blue Cross Blue Shield of Massachusetts volunteer corps is a familiar sight and a highly sought-after team. With over 1,000 associate volunteers and a decade-long legacy, it's no wonder why.

Over the years, the BlueCrew has built a Habitat for Humanity house, helped CityYear run a school vacation camp, helped a community health center hold a women's health summit, assisted with the Greater Massachusetts Workout, provided mentoring services for the Blue Scholars program, decorated Elder Care residences and raised money for dozens of organizations.

A unique component of BCBSMA's CSR program is the William C. Van Faasen Sabbatical program. The Board of Directors created the sabbatical program in 2005 to honor the company's former CEO, Bill Van Faasen. The William C. Van Faasen Community Service Sabbatical Program allows one employee per year a leave of absence to work for a charitable organization in the community for a period of three to six months.

The first recipient of the William C. Van Faasen Community Service Sabbatical, Mary Nolan, brought her considerable expertise to Health Care for All to develop a program to help improve health literacy. Scott Harrington, the second recipient, spent six months working closely with a team at the Brockton Veterans Administration hospital developing a resource guide of sports recreation therapy activities in the New England area. The guide provides information to disabled veterans returning from Iraq and Afghanistan, as well as veterans wounded in previous wars. The third recipient of the sabbatical was Maureen DeFuria, Director of Information and Financial Systems Analysis. She spent her sabbatical working with the Joint Coalition of Health of North Central Massachusetts (The Coalition) and completed a community health assessment for the region, reorganizing the structure of The Coalition and developing a website to promote The Coalition's work.

Many other associates at BCBSMA are doing superb work, as well. In fact, in 2007 BlueCrew provided more than 18,000 hours of service in 128 volunteer events across the Commonwealth. And its pioneering program for fighting childhood obesity—Jump Up & Go!—has partnered with schools, nurses, physicians, nutritionists, peer educators and others to help children develop healthy habits. For several years, BCBSMA has been the flagship sponsor for the Making Strides Against Breast Cancer Walk in the fall and The Walk for Hunger in the spring.

The three individuals highlighted above and the thousands of BlueCrew volunteers embodied the dedication to the community that permeates Blue Cross Blue Shield of Massachusetts.

For more information about BCBSMA's CSR efforts, visit www.bluecrossma.com and click on "About Us" and "Our Commitment to the Community."

Wearing bright blue T-shirts with BlueCrew logos, the Blue Cross Blue Shield of Massachusetts volunteer corps is a familiar sight and a highly sought-after team. With over 1,000 associate volunteers and a decade-long legacy, it's no wonder why.

Brown Brothers Harriman & Co.

Brown Brothers Harriman & Co. (BBH) is the oldest and largest Partnership bank in America. The Firm currently operates in seven domestic and seven overseas locations with approximately 4,000 employees. It is the goal of Brown Brothers Harriman & Co. to offer employees the chance to enhance the communities in which they work and live. By positively affecting the lives of children or improving the buildings and green spaces in surrounding neighborhoods, Brown Brothers Harriman employees bring possibilities for many.

BBH realizes that Corporate Social Responsibility builds goodwill within the community as well as with its clients. Community involvement also builds social leadership within the BBH community and improves the morale of its employees.

As a global firm, Brown Brothers Harriman strives to accommodate varying requests from charitable organizations in each unique corporate location. Funds are budgeted for firm-wide volunteer and charitable programs that meet needs within each community. In addition, individual departments may contribute from their own budgets to events/organizations on an ad hoc basis (as approved by a department or business line leader).

Currently, the firm has small committees of individuals in regional offices who manage a variety of volunteer programs in which the employees participate. Additionally, BBH participates in an annual United Way campaign to support a broader variety of community organizations. A campaign chair is joined by a committee of employees (varying levels within the corporate structure) to build enthusiasm and encourage participation in the campaign. Individual departments may also elect to contribute to charitable organizations/projects solicited by clients.

The firm has a broad range of philanthropic and community programs. Their objective has been to offer opportunities in four core nonprofit sectors (health & human services, education, arts & culture and the environment). The volunteer programs have historically been suggested by the employees. Each volunteer committee (by location) reviews and determines the potential success of a new program. Programs and projects are reviewed by the committee on an on-going basis for participation levels, ease of use by the volunteers and support by the nonprofit organization. Programs that require parallel monetary donations are further reviewed by the partnership for suitability and budgeting purposes.

BBH realizes that Corporate Social Responsibility builds goodwill within the community as well as with its clients. Community involvement also builds social leadership within the BBH community and improves the morale of its employees.

The volunteer programs and in-kind donations that are employee driven are considered to be great team- and morale-building opportunities for BBH's employees. However, direct funding efforts are limited to the United Way and a select few client-driven requests each year. A budget based roughly around that of the previous year (with some growth factor) is calculated annually.

Though not actively measured, the firm has seen success within its communities and has received recognition from the various organizations with whom BBH works. Employees are always eager to participate in the programs offered.

BBH's volunteer program is managed by excellent project employees; however, the firm has realized that participation by senior management is important to reinforcing the CSR culture. As employees see partners and senior managers of the firm clearing yards through Habitat for Humanity or cooking meals at shelters and transitional homes, they are encouraged to participate. Senior leaders and peers alike remind one another how fortunate they are as compared to others in our communities. The "giving" spirit perpetuates itself.

Updates on existing programs and introductions of new projects are communicated to employees via a daily electronic newsletter as well as through postings in common areas of their offices.

BBH has a formalized volunteer program, BBHcares (*Community Action Requires Everyone's Support*) works to provide change in the communities—to transform peoples' lives through the power of collective effort and to inspire a spirit of citizenship and social responsibility. Employees are afforded time to volunteer during the work day based upon their performance and their particular role's flexibility. All employees must obtain supervisor approval before committing to a project.

At BBH, Corporate Social Responsibility is part of many initial and interview discussions with incoming candidates for employment. New hires learn about the volunteer programs during orientation, and summer interns are provided the opportunity to participate in programs during their internship. For many, the ability to volunteer during the work day is an added benefit.

Employees consider their volunteer experiences rewarding and fun team-building exercises. The Firm is currently in the process of reviewing all of its volunteer and charitable support programs to evaluate their effectiveness.

For more information about BBH's CRS efforts, visit <http://www.bbh.com/company/community.html>.

As a leading high technology company and employer headquartered in Hopkinton, Mass., EMC Corporation provides the information infrastructure technologies and solutions needed to help organizations intelligently and efficiently store, protect and manage their explosive information growth to meet their evolving business requirements.

This same passion for innovation is clearly evident in EMC's commitment to sustainability and responsibility to the global community in which it operates. With more than 40,000 employees worldwide, EMC is committed to acting in a socially and environmentally responsible manner both in the local and global community.

Through a thoughtful balance of corporate giving, in-kind contributions, public policy work and employee volunteerism, EMC is proud of its record of philanthropy and corporate citizenship. As a high-tech leader, EMC relies on an innovative, skilled workforce to compete in the global economy. Consequently, education has long been a cornerstone of EMC's commitment to the community because the success of business, people and communities depends on the talent and creativity that is fostered within the public and private education systems.

Since 2000, EMC has supported programs in the U.S. that encourage K-12 students, especially girls and underrepresented minorities, to pursue their interest in science and technology. As mentioned earlier in this Primer, through its partnership with North High School in Worcester, EMC is the corporate partner to the Technology and Business Small Learning Community, providing support for the State Scholars Initiative, volunteer assistance in the classroom and sponsorship of the VEX Robotics partnership across the district. A sample of the programs EMC supports include FIRST Robotics, VEX Robotics, Citizen Schools, Big Brother Big Sister, Science Buddies, Massachusetts State Science & Engineering Fair and many others. In 2008, EMC expanded outside the U.S. and began identifying education partnerships at EMC's major sites around the world.

With over 40,000 employees worldwide, EMC is committed to acting in a socially and environmentally responsible manner both in the local and global community.

Arts, culture and public safety are important to EMC and its community. EMC is proud to provide corporate sponsorship to the Boston Symphony Orchestra, the Boston Museum of Science and the New England Aquarium. In addition EMC provides support for Leary Firefighters Foundation to provide equipment and training to Worcester's firefighters and the Michael Carter Lisnow Respite Center, which offers a home-away-from-home for children and adults with disabilities.

A rich mix of education, civic engagement and volunteerism enables EMC and its employees to connect and interact with the communities that it not only serves but also draws upon in order to maintain its reputation as a world class technology leader. To that end, the spirit of innovation permeates not only its products but also the very way in which employees interact, engage and communicate. Leveraging Web 2.0 and social networking media, employees are encouraged to engage and interact with both internal and external communities, which further enrich the employment experience at EMC and create new ideas and opportunities to support their community.

For more information about EMC's CSR efforts, visit <http://www.emc.com/about/index.htm> and click on "Sustainability."

Genzyme

Genzyme has developed a strategic giving program to support community-based, nonprofit organizations in areas where Genzyme has a significant business presence. Genzyme provides grants to a range of initiatives, including those that promote better understanding of health issues, increase the accessibility of health programs, and build excitement and enthusiasm around science education. Some of the programs that have received Genzyme support include Boston Area Rape Crisis Center, Butterfly Place in Belo Horizonte Zoo in Brazil, Computer Access Center in Los Angeles, Mt. Auburn Hospital in Cambridge, MA, Perkins School for the Blind in Watertown, MA, Santa Fe Science Initiative in NM, Science Club for Girls in Cambridge, MA, and Technopolis in Belgium.

Genzyme is a leader in developing and funding innovative programs in science education around the world. Its support spans a variety of initiatives that serve students, teachers, schools and community groups.

Genzyme Corporation makes cash contributions entirely through a corporate contributions program, which it refers to as its Charitable Contribution Program. In FY 2006, \$11 million, or about 12% of the company's total giving, was donated in the form of cash grants, which were primarily to support education and health initiatives. The company also supports the environment and other causes specific to its operating communities. Genzyme's 2006 giving amounts to 10.8% of 2005 pre-tax non-GAAP income. The company donated a total of \$73.7 million in 2005 and \$51.7 million in 2004.

In addition to cash grants, Genzyme fulfills its social mission of ensuring that its medical treatments are available to patients worldwide who need them through in-kind product donations. In addition to donating drugs it currently produces, Genzyme uses its pharmaceutical expertise to advance the development of new therapies for neglected diseases, such as malaria.

Genzyme supports employee volunteerism through company-planned events, an annual company-wide volunteerism month and a grants program benefiting nonprofits where teams of employees volunteer.

Genzyme's central employee involvement program is its G.I.V.E. (Genzyme Invests in Volunteer Efforts) initiative. Through this program, employees may earn money for nonprofits where they volunteer. This global volunteer program provides unrestricted grants between \$1,000 and \$10,000 directly to eligible charitable organizations with which employees volunteer and fundraise. G.I.V.E. was founded on the values of leadership, teamwork, passion and sustainability. It is a team-based program that requires at least two employees to volunteer for the same organization. This model encourages the team to build a long-term relationship with the organization, while providing leadership opportunities for team captains and building camaraderie among the team. Some teams have participated in the same activity each year since the program started. Since its inception, G.I.V.E. has grown an average of 20% in participation, funds raised and hours volunteered.

Genzyme also sponsors several company-planned events throughout the year. Local operating sites plan employee involvement events autonomously, selecting activities of interest to the company and its employees in that region. For example, Genzyme sponsors reading programs in three communities in Massachusetts, through which employees volunteer a half-hour weekly to read aloud to first and second grade students. At a number of other U.S. sites, employees participate in blood drives in partnership with local Red Cross chapters, hospitals and community health centers.

To further encourage employee volunteerism, Genzyme matches nonprofits with employees who are seeking volunteer opportunities. Any charitable organization can submit a request for volunteers through the company's

Genzyme is a leader in developing and funding innovative programs in science education around the world. Its support spans a variety of initiatives that serve students, teachers, schools and community groups.

website; the opportunities, if appropriate, are then posted for Genzyme employees.

In the coming years, Genzyme aims to further integrate its philanthropic activities into its business, more effectively communicating its philanthropic story and focus more on measurement and evaluation, both on its end and on the part of its charitable partners.

For more information about Genzyme's CSR efforts, visit http://www.genzyme.com/commitment/commitment_home.asp and click on "Community!"

IBM

As a business, IBM delivers innovation that matters for its clients. As a global enterprise, the organization values innovation that matters for the company—and the world. IBM's corporate citizenship reflects both its brand and its values by addressing some of society's most complex problems with game-changing business and technology innovation.

Over the last ten years, IBM has been one of the largest corporate contributors of cash, equipment and people to nonprofit organizations and educational institutions across the U.S. and around the world. In all its efforts, the company helps people use information technology to improve the quality of life for themselves and others.

IBM's contributions target a few key areas and leverage its expertise in technology. In its efforts, IBM strives to underscore the role of technology as a tool to address societal issues, demonstrate IBM's reputation as a solutions provider and focus IBM's philanthropic programs to enhance relationships with customers and employees. This policy of strategic investment has benefited communities by bringing IBM experts from all over the world to address their concerns and has engaged employees more fully in the important mission of corporate citizenship.

IBM believes the same information technology innovations that are revolutionizing businesses can provide important breakthroughs for public and nonprofit organizations. These technologies have potential to help organizations deliver better services, manage costs, maximize effectiveness and implement exciting new programs.

Its commitment to solutions-oriented innovation requires that the company go beyond simple checkbook philanthropy. It is working hand-in-hand with public and nonprofit organizations to design technology solutions that address specific problems. This kind of partnership requires IBM's grantee organizations to make significant commitments to IBM—to go beyond business as usual, to set clear benchmarks and to focus on measurable results.

To make the most effective use of IBM resources and expertise, IBM has selected priority issues and key initiatives for investment through its grant programs. The main focus is education. IBM also provides smaller grants in the areas of adult education and workforce development, arts and culture and communities in need. In addition, the company provides opportunities for IBM employees to support their communities and the issues they care about through employee giving.

IBM teams up with its employees to support organizations they care about in the communities in which they live and work. IBM also provides support to employees who volunteer their personal time to community projects through the On Demand Community program. This program encourages and sustains corporate philanthropy through volunteerism.

For more information about IBM's CSR efforts, visit <http://www.ibm.com/us/en/> and click on "About IBM," then click on "Community relations."

Over the last ten years, IBM has been one of the largest corporate contributors of cash, equipment and people to nonprofit organizations and educational institutions across the U.S. and around the world.

Petricca Industries

Petricca Industries specializes in the manufacturing and construction of precast, prestressed concrete products for segmental bridges, roadways, parking, retail and industrial structures. Unistress Corporation, a major subsidiary, was recently named the 7th Largest Concrete Manufacturer in North America by the TCP 100. Headquartered in Pittsfield MA, this 3rd-generation family owned business has its roots in the construction industry, dating back to 1936, and has remained a fixture of the local economy ever since with more than 500 employees.

Petricca Industries' reputation for quality speaks for itself and is highly visible in the many high profile construction projects that it has completed, including over 1,000 precast bridge segments for Boston's Central Artery/Harbor Tunnel Project and the three garage, multi-use complex at the new Yankee Stadium in New York. The same can also be said of the company's reputation for community involvement and corporate social responsibility.

In the early years, before it was called "Corporate Social Responsibility," the company's outreach efforts were quite simply based on a sense of responsibility toward education and the children of the community which the company called home. "Family Interests" as President and CEO Perri Petricca describes it. From there, the company's involvement in the community has only grown and in fact, to this day, the company has made it a conscious decision to maintain all of the philanthropic commitments it has made and continues to provide support for an extensive list of nonprofits.

The success of Petricca Industries' CSR initiative came about no differently than its corporate success—leveraging the passion, commitment and skills of its employee base to create an effective and well-balanced program. About one-third of Petricca Industries' community outreach comes in the form of in-kind contributions that leverages the unique skills and assets of the company and its employees. Whether it's construction, land clearing, operating heavy equipment or engineering, the company is oftentimes able to provide services that may otherwise be out of reach for many nonprofits. At the same time, employees are developing and using their skills in a way that creates a lasting connection between the community and their employer. Financial support is a blend of corporate-level initiatives in support of education and youth organizations as well as employee-sponsored charities in which the company provides cash contributions matching the employee directed initiatives.

Mr. Petricca also contributes a good deal of his free time to serving on a number of nonprofit boards. Leveraging his experience and success as a business leader, he along with other executives from the surrounding area participates in the Berkshire Funders Roundtable to help local nonprofits become more efficient and more accountable. Together, they are able to offer guidance and direction to organizations on management practices, planning, accounting and general business acumen required for them to be sustainable while achieving their goals.

The success of Petricca Industries' CSR initiative came about no differently than its corporate success—leveraging the passion, commitment and skills of its employee base to create an effective and well-balanced program.

Putnam Investments

Putnam and its employees support and partner with hundreds of nonprofit organizations every year. Putnam's employees volunteer thousands of hours of their time on projects that benefit a wide range of organizations, from the arts and health care to child development.

Putnam YouthPartners provides grants to nonprofit, community-based organizations that work with middle and high school students to explore careers. YouthPartners also provides an opportunity for students to experience a professional work environment and gives employees a chance to mentor students. Doing so allows employees to enhance their interpersonal, managerial, coaching and mentoring skills.

Putnam's Community Relations Department arranges volunteer opportunities with a number of community nonprofit organizations, including The Greater Boston Food Bank and Habitat for Humanity Greater Boston, to promote teamwork and service to the community. Such volunteer opportunities allow Putnam to bring together staff across job functions to develop projects, which often improves cross-functional relationships and team dynamics.

Each year, in lieu of sending holiday gifts to clients, Putnam contributes to nonprofit organizations in honor of its clients. Some of organizations supported in recent years include Boys & Girls Club of America, Children's Hospital Boston and Heifer International. In addition, Putnam employees made personal gifts, through work-place campaigns organized by various departments, to benefit needy families during the holiday season.

Group decision making and employee involvement and engagement are hallmarks of Putnam's CSR program.

Group decision making and employee involvement and engagement are hallmarks of Putnam's CSR program. Over the years, the company has created an environment where volunteerism and community involvement is not only preached but is encouraged through the Community Relations and Human Resources Departments, as well as by the senior management. As a result, last year, Putnam employees volunteered a total of 2,300 hours (from an employee base of 2,500 people).

To measure the effectiveness of its programs, Putnam periodically conducts employee opinion and satisfaction surveys. The surveys allow the CSR committee to access and improve, if needed, existing programs as well as to develop new programs that are of interest to Putnam employees.

For more information about Putnam's CSR efforts, visit <https://www.putnam.com/careers/> and click "Community Involvement."

Staples

Staples Soul reflects the company's commitment to corporate responsibility. It's a holistic approach to business that recognizes the close connection between their financial success and the company's desire to make a positive impact on its associates, communities and the planet by joining together the following areas: diversity, the environment, the community and ethics. It is how the company does business—that's Staples Soul.

The company has seen that community involvement enriches its brand, engenders customer loyalty, fuels local economies and helps attract and retain top talent.

Staples supported new stores around the U.S., by linking them with local grassroots nonprofits and providing monetary donations. Through these store openings, the company gave to hundreds of grassroots organizations as part of its efforts to join the community and help make a difference. When entering a new market, such as South Florida or Denver, Staples engages community, business and political leaders to help them create locally aligned community platforms around education and job skills training.

While Staples does not have formalized volunteer programs, it encourages associates to be social entrepreneurs. For example, when Staples associates in Germany learned about Deutscher Kinderschutzbund, they were impassioned to grow their involvement in the community. To support the protection and advocacy of abused children, Staples donated \$44,000 toward the organization's educational programs. During the back-to-school and holiday seasons, all stores in Germany donated a portion of the proceeds of select items to Deutscher Kinderschutzbund. When a new store opened in Hamburg, Staples Germany contributed one euro to Deutscher Kinderschutzbund for every customer who shopped on opening day. Every customer who made a purchase received a flag, which was displayed in the front of the store to symbolize the joint work of Staples associates and its customers in support of Germany's at-risk youth.

The company has seen that community involvement enriches its brand, engenders customer loyalty, fuels local economies and helps attract and retain top talent.

In 2007 Staples provided associates with opportunities to secure support for nonprofits they are personally involved with through hundreds of thousands of dollars in donations. It also provided associates with access to volunteer opportunities with organizations supported by the company's private charitable arm, Staples Foundation for Learning (SFFL). Groups include Boys & Girls Clubs of America, Ashoka and grassroots nonprofits. These opportunities enabled associates to grow their teamwork skills and job morale and become more involved and invest in their communities.

In 2005, one year after the creation of Staples Soul, Staples conducted a survey of employees to assess the first Staples Soul report. Of the employees who responded to the survey, 86% reported that CSR was a factor in their decision to join and stay with Staples as an associate.

As mentioned before in this Primer, Staples is being very creative in incorporating Staples Soul into its global operations.

For more information about Staples Soul, visit <http://www.staples.com/sbd/content/about/soul/index.html>.

Wainwright Bank & Trust Company

Founded in 1987, Wainwright Bank & Trust Company is a \$820 million publicly traded commercial bank headquartered in Boston with over a dozen branches throughout the Greater Boston area. What sets Wainwright apart from nearly any other bank in the country is its deep commitment to issues of social justice. This commitment is evidenced in the Bank's culture, products, literature, lending and philanthropy. As Patricia Aburdene, author of the book *Megatrends 2010, The Rise of Conscious Capitalism* wrote, "Wainwright's DNA is so deeply encoded with the commitment to social justice, you almost forget it's a bank."

The civil rights movement of the '60s has been a major influence in the creation of the Bank's Social Agenda. That seminal movement has today evolved into a coalition of "rights" issues. Homelessness, affordable housing, the rights of people living with HIV/AIDS, immigration rights, environmental justice, economic equality and gay rights are all the children of the civil rights movement. These second generation rights issues define who Wainwright Bank is. Through a combination of its lending policies and leadership in many of the areas mentioned above, Wainwright has become a catalyst for social change.

As the Bank has expanded, it has consciously created an environment that provides all employees freedom to be themselves; the benefits to the organization and to the community have been immense. For example, some years ago the introduction of domestic partner benefits at their bank was perhaps less significant than the cultural leverage it provided to the entire banking industry.

What sets Wainwright apart from nearly any other bank in the country is its deep commitment to issues of social justice.

Internally, the Bank has management practices that have been lauded nationally as among the most progressive. Wainwright strives for diversity throughout the Bank with 22 languages represented among its 160 employees. It has one of the most diverse boards of any commercial bank in the country with women or minorities comprising close to 40% of the directors. Over 50% of officers are women, approximately 10% of employees are openly gay or lesbian, including two senior vice presidents, and minorities comprise over 33% of its employee base.

However, CSR efforts do not stop there. The bank has committed to providing at least 2.5% of its pre-tax income annually to charitable organizations but the actual amount is usually closer to 3%, or three times more than the average financial institution. Because it has over 600 nonprofit clients, the Bank decided several years ago to only provide charitable donations to organizations it has a banking relationship with.

Each year, at its Champagne Reception customer appreciation event, attended by nearly 500 of the Bank's for-profit and nonprofit clients, the company presents the Wainwright Bank Social Justice Award to an individual and his or her associated organization that has significantly affected social change in a particular field. The Award is accompanied by a \$10,000 donation to the organization.

Several of its employees are registered to conduct financial literacy classes for public and private high school students in partnership with Project Hope. Groups of employees also volunteer their time to some of the Bank's nonprofit clients such as sorting food at the Greater Boston Food Bank or serving the homeless at Pine Street Inn.

In addition to CommunityRoom.net, the Bank also provides physical Community Rooms at most of its branches. These are free after-hour conference rooms available for nonprofit clients to use for meetings.

Between CommunityRoom.net, the branch Community Rooms and employees' volunteer efforts, annual in-kind contributions are estimated to be the financial equivalent of \$100,000.

what are the benefits of these efforts?

Greater productivity: the average bank of similar size would generally have more employees, and because employee compensation is the greatest expense for nearly any company, it would mean Wainwright would be less profitable.

Dedicated employees: for better or worse, employee turnover is expensive. When Wainwright held its most recent off-site strategic planning session, the facilitator marveled that in the eight years he had been meeting with the Bank, only one of the 20 officers in attendance was new. In addition, the company often receive resumes from people who assert they are not necessarily looking for a new job, but if something should become available at Wainwright they'd love to work here.

Customer loyalty: one of the primary keys to customer loyalty—and greater profitability—is happy employees. Recently, more and more companies are starting to realize what Wainwright Bank has known for quite some time: if employees are happy, customers will be happy too.

For more information about Wainwright's CSR efforts, visit www.wainwrightbank.com and click on "Wainwright in Action."