

## **Microsoft ranked first in Corporate Social Responsibility by the Reputation Institute's 2012 CSR RepTrak™ 100 Report**

Reputation Institute, a private global consulting firm based in New York, invited about 47,000 consumers across 15 markets in June to participate in a study that ranked the world's 100 most reputable companies—all multinational businesses with a global presence.

In addition to finding the companies with the best reputations, the study discovered that people's willingness to buy, recommend, work for, and invest in a company is driven 60% by their perceptions of the company, and only 40% by their perceptions of the products, says Kasper Ulf Nielsen, Reputation Institute's executive partner.

Each company earned a "RepTrak™ Pulse" score representing an average measure of people's feelings for it. The scores were statistically derived from four emotional indicators: trust, esteem, admiration, and good feeling. Reputation Institute then analyzed what it calls the seven dimensions of corporate reputation, including workplace, governance, citizenship, financial performance, leadership, products and services, and innovation.

Three of the seven dimensions that drive reputation (citizenship, governance, and workplace) fall into the CSR category—and analysis shows that 42% of how people feel about a company is based on their perceptions of the firm's corporate social responsibility practices.

"CSR speaks to who the company is, what it believes in and how it is doing business," Nielsen says. "Companies that are able to get recognition for the softer sides of their business are on the right path to building a sustainable business for the future."

That's why Reputation Institute decided to separately rank and honor the corporations with the best CSR.

Through an online questionnaire, consumers were asked to evaluate to what extent they agree with the following three statements: 'Company' is a good corporate citizen — it supports good causes and protects the environment; 'Company' is a responsibly-run company — it behaves ethically and is open and transparent in its business dealings; and 'Company' is an appealing place to work — it treats its employees well.

It turns out the corporation with the very best CSR is Microsoft, the Washington-based software giant.

"It's a tremendous honor and one that we're very proud to receive," says Dan Bross, Microsoft's Senior Director of Citizenship and Public Affairs. "Being ranked the No. 1 company for CSR in this report is especially meaningful, since the data comes directly from surveys of the general public. Our citizenship mission is to serve the needs of communities around the world and to fulfill our responsibilities to the public. This has been part of our DNA for the past 30-plus years. Being recognized by the Reputation Institute really shows that our efforts are making a positive impact on people in our own backyard and around the world."

Bross says being a responsible global corporate citizen is a commitment made at all levels of the company. "It's not just a top-down effort and it's not just a grassroots effort – it's important to all of us."

How did Microsoft earn the best CSR reputation?

"I think this is really a testament to our employees worldwide and the difference they make in their local communities," Bross says. "While we have a small Citizenship team here at the corporate level, we have Citizenship Leads across the globe and they work daily in collaboration with a wide range of stakeholders on a range of issues important to local communities."

Microsoft works with governments, investors, nonprofits, and a wide range of other organizations including BSR, the Boston College Center for Corporate Citizenship, CSR Europe, the Clinton Global Initiative, Net Impact, and the World Economic Forum.

"Another factor of our success is our employees' passion for supporting their communities and causes through charitable giving and volunteering," he adds. In fiscal year 2012, 93% of employees reported feeling that Microsoft is a good corporate citizen in their communities and around the world. "Our employees and our partners—approximately 640,000 small to mid-size businesses around the world—are our best ambassadors when it comes to sharing the positive results of our CSR work around the world."

In September 2012, Microsoft refocused much of their efforts around creating opportunities for youth by launching Microsoft YouthSpark, a major initiative to connect hundreds of millions of youth with opportunities for education, employment and entrepreneurship. "The company is working to bridge the opportunity divide that separates youth who have opportunities from those who don't, with the goal of helping young people secure their individual futures and also the future of our global economy", Bross says.

In October 2012, Microsoft celebrated their 30th Employee Giving Campaign and announced the milestone achievement of \$1 billion in employee contributions (inclusive of company match) to more than 31,000 nonprofits around the world since 1983.

"Microsoft employees in the U.S. have also volunteered more than 2 million hours of their time to causes they care about since Microsoft began their volunteer match program in 2005. In total, they've provided more than \$6.5 billion in cash, services and software to nonprofits around the world since 1983", Bross says.

And their CSR efforts are paying off.

In 2012, the company reported revenue of \$73.7 billion, an increase of \$3.76 billion from the previous year. "Positive revenue growth is clearly a factor of many things, most significantly our product strategy and our ability to deliver great technology solutions to the market. But it's also true that consumers are more likely to engage with companies and brands that they respect and trust," Bross says. "Our CSR efforts have a direct and positive impact on people

in our own backyard and around the world, and in turn, their ongoing engagement with us contributes to Microsoft's business success."

(Source: Forbes)

12/12/2012