

## **New Study, Commissioned by Verizon, Addresses a Persistent Knowledge Gap by Analyzing the Financial Impacts of Corporate Responsibility Programs**

NEW YORK, Jul. 09 /CSRwire/ - Those who think corporate responsibility (CR) is at best a nice thing to do, and at worst a distraction, should think again. A comprehensive study commissioned by Verizon and issued today (July 9) by IO Sustainability and Babson College has found that well-designed Corporate Responsibility programs lift sales, increase shareholder value and improve employee productivity.

“We commissioned this study to fill a knowledge gap about CR’s true impact on businesses,” said Rose Stuckey Kirk, chief corporate responsibility officer for Verizon.

Project ROI provides a global assessment of the range of business impacts of CR policies, processes, and programs. Among the study’s key findings: CR programs can have significant positive impacts on sales, marketing and customer engagement. They can increase revenue by as much as 20 percent, command price premiums up to 20 percent and increase customer commitment by as much as 60 percent.

Conducted by IO Sustainability and Babson College and sponsored by Verizon and Campbell Soup Company, Project ROI stands out from other CR studies in its breadth of data coverage, focusing sharply on metrics and return on investment.

### **Study Provides Roadmap for Improving Effectiveness of CR Approaches**

Project ROI analyzed existing research and data to assess CR’s value to society and to businesses’ bottom line, outlining a clear roadmap of best practices for companies that want to improve the effectiveness and authenticity of their CR approach. Project ROI further proves the value of CR in driving employee satisfaction, productivity and retention, and provides investors and community leaders with proof points for investing in or doing business with a particular company.

Project ROI: Defining the Competitive and Financial Advantages of Corporate Responsibility and Sustainability was written by Steve Rochlin and Stephen Jordan, co-CEOs of IO Sustainability; and Professor Richard Bliss and Cheryl Kiser, executive director of The Lewis Institute for Social Innovation and The Babson School Innovation Lab, at Babson College in Wellesley, Massachusetts. The project’s sponsors, Verizon and Campbell Soup Company, have both been recognized for their leadership in corporate responsibility programs and practices.

“The value and return on investment of CR programs have long been disputed, with companies questioning the business value of them,” said Rochlin. “Project ROI effectively re-frames the debate and shows that the issue is not whether companies should have CR programs, but how well they design them to achieve their goals.”

### **Other key findings from Project ROI:**

- Corporate responsibility nurtures, grows and protects brand and reputation value, potentially by up to 11 percent of a company’s total value.
- Over a 15-year period, companies with effective CSR programs have on average increased shareholder value by \$1.28 billion. There is also an increased potential valuation for companies with strong stakeholder relationships of 40 percent to 80 percent.

- CR impacts employees in very positive ways. Companies with a strong CR commitment can see increases in employees' productivity by as much as 13 percent. In addition, these companies can experience reductions in turnover by as much as 50 percent, with workers willing to take up to a five percent pay cut to work for a company doing CR well.

#### Do CR, and Do It Well

Yet, as the study also finds, it is not enough for companies to simply conduct CR programs; they must do them well. Companies that fully commit to doing CR are rewarded by their customers and investors, while those that are viewed as insincere or dabblers do not benefit from CR or may lose market share and customer loyalty.

Bliss said: "Today's consumers are more educated, aware and connected than ever, and they are fully aware of corporations' sincerity and authenticity when it comes to their commitment to CR. Companies that fail to recognize CR's power beyond the shopping aisle are taking a myopic view. CR is a formidable influencer of trust, affinity and loyalty. Companies must participate in CR with authenticity and transparency, or risk doing more harm than good to their reputations."

Kirk said: "By quantifying the effect of CR on customer engagement and loyalty, Project ROI's results give companies the freedom to take an entrepreneurial approach to CSR that could produce innovation and breakthroughs. We believe this study will stimulate conversation among the C-suite, small business owners, CSR influencers and academic communities, and we look forward to participating in that conversation."

Jordan said: "For too long companies have kept CR in a silo and viewed it as a compliance and contributions function. Project ROI shows that companies need to integrate CR as a driver of financial and wider business value. This means aligning CR with core business strategy."

The study assessed over 300 studies primarily from rigorous, peer reviewed research. The study analyzed results and determined the financial and business related value CR delivers.

To see the full downloadable Project ROI report, visit [www.projectROI.com](http://www.projectROI.com).

#### About IO Sustainability

IO Sustainability, LLC is a research and advisory services firm. IO's mission is to develop tools, strategies, and solutions that promote sustainable, long-term growth and development. We do this through research, stakeholder engagement, and our unique systems-based approach to strategy and project implementation that deliver desirable Impacts and Outcomes for our clients and their stakeholders. For more information visit [www.iosustainability.com](http://www.iosustainability.com).

#### About the Lewis Institute for Social Innovation at Babson College

The Lewis Institute illuminates pathways for students, faculty, staff, foundations, and corporate partners seeking social innovation solutions. By drawing upon Babson's core methodology of Entrepreneurial Thought & Action®, we activate unexpected and fruitful collaborations and integrative designs for action. The result is business prosperity and societal improvement. We extend our impact through the Babson Social Innovation Lab, an action tank powered by Toyota, that incubates people and ideas in the world of social innovation. For more information visit <http://www.babson.edu/Academics/centers/the-lewis-institute/Pages/home.aspx>

#### About Campbell Soup Company

Campbell (NYSE:CPB) is driven and inspired by our Purpose, "Real food that matters for life's moments." The Company makes a range of products from high-quality soups and simple meals to snacks and healthy beverages. For generations, people have trusted Campbell to provide authentic, flavorful and

readily available foods and beverages that connect them to each other, to warm memories, and to what's important today. Led by its iconic Campbell's brand, the company's portfolio includes Pepperidge Farm, Goldfish, Bolthouse Farms, V8, Swanson, Prego, Pace, Plum, Arnott's, Garden Fresh Gourmet, Tim Tam, Royal Dansk and Kjeldsens. Founded in 1869, Campbell has a heritage of giving back and acting as a good steward of the planet's natural resources. The company is a member of the Standard & Poor's 500 and the Dow Jones Sustainability Indexes. For more information, visit [www.campbellsoupcompany.com](http://www.campbellsoupcompany.com) or follow company news on Twitter via @CampbellSoupCo.

#### About Verizon

Verizon is focused on accelerating social change by using the company's innovative technology to help solve pressing problems in education, healthcare and energy management. Since 2000, the Verizon Foundation has invested more than half a billion dollars to improve the communities where Verizon employees work and live. Verizon's employees are generous with their donations and their time, having logged more than 6.8 million hours of service to make a positive difference in their communities. For more information about Verizon's philanthropic work, visit [www.verizon.com/about/responsibility](http://www.verizon.com/about/responsibility); or for regular updates, visit Facebook ([www.facebook.com/verizonfoundation](http://www.facebook.com/verizonfoundation)) and Twitter ([www.twitter.com/verizongiving](http://www.twitter.com/verizongiving)).

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