



Who's Responsible?

Amid the stats and the stories, companies are realizing checkbook philanthropy and checkbox responsibility will not suffice. Dated approaches to addressing social and environmental issues are too formulaic, too reactive and won't turn the tide on corporate trust. Companies must proactively deal with critical business issues while engaging with and addressing escalating expectations of key stakeholders. Companies are changing the way they approach burgeoning social and environmental challenges because today, it's difficult to assert where a company's responsibility begins, where it ends and who is ultimately accountable for solving the issues we collectively face.

Aligning Cause Branding and Corporate Responsibility

Leadership companies are thinking more holistically about their approach to solving critical business needs (e.g., sufficient natural resources, a sustainable workforce) while meeting the growing expectations of key stakeholders (e.g., access to clean water, minimizing preventable disease). For over 30 years, Cone has been a leader in working with both companies and NGOs to build meaningful programs that tackle key issues (Cause Branding) and to help these organizations change the way they operate for maximum business and societal benefit (Corporate Responsibility). As a result of this work, Cone is uniquely positioned to lead the convergence of these distinctive yet synergistic business strategies.

We believe the future of sustainable business rests in the alignment of the two – where companies will collaborate with their stakeholders to help address the social and environmental obstacles that stand in the way of greater business opportunity.

Shared Responsibility

We call this intersection Shared Responsibility because it requires the combined resources, ingenuity and sweat equity of business, government, NGOs and consumers. The critical concerns of our time are far too complex and significant for any single entity to address on its own. Through collaborative engagement, however, solutions – and opportunities – will not be far behind. Here's what it means for you:

Emerging Issues

Companies must evaluate emerging issues that are material to their business growth and address the needs of their diverse stakeholders. For example, is a food and beverage company responsible for the safety of its products, the health and wellness of consumers, package recycling? Where does its responsibility begin and end? Does addressing these issues require philanthropy dollars, policy changes or product innovations? Of course, at its core, the answer to these questions is all of the above.

And no matter, really, because stakeholders – and consumers in particular – don't distinguish between corporate philanthropy, cause branding, corporate responsibility, sustainability or any of the other terms we use to define how a company approaches its obligation to society. Ultimately, they expect companies to do it all [\[see chart\]](#).

Stakeholder Engagement

Gone are the days of businesses and NGOs as strict adversaries. Today, companies recognize the value of working in tandem with diverse stakeholders, including activists, to achieve solutions of mutual benefit. Dialogue is just the beginning, and companies must play a tangible role in shaping solutions. Engagement is the most efficient way to make significant, sustainable progress on the issues before us. And, often a company's approach will not simply involve writing checks, but working collaboratively on issues. There is already a lot of momentum here, but it remains to be seen which coalitions and groups will separate talk from action. Among consumers, at least, there is still a lot of work to be done. Americans say they want to be engaged on everything from how a company conducts its business (85%), to its products and packaging (83%), to the social and environmental issues it supports (81%). Yet, three-quarters of these same stakeholders assign companies only an average grade or below on how well they are being engaged in these key areas.

Communications

Transparency is more than just a corporate communications buzzword when it comes to Shared Responsibility. Open, consistent lines of communication are the only way a company can effectively collaborate with diverse stakeholders for the long-term and stay on top of issues that may improve or inhibit its business. It doesn't mean companies have to solve all of the issues on the table, but it does mean being transparent about their journey.

Shared Responsibility is the next evolution of Cause Branding and Corporate Responsibility. Leadership companies will proactively tackle emerging issues that challenge their business growth; they will collaborate with diverse stakeholders whose expertise and assets can help them achieve innovative solutions to these issues; and they will talk openly about their progress and setbacks.

Corporate Responsibility is your obligation, but Shared Responsibility is our opportunity.

Americans hold companies highly accountable for a variety of critical global issues:

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| Ensuring product quality and safety (e.g., removing lead) | 92% |
| Ensuring worker health and safety | 92% |
| Ensuring proper product disposal/recycling | 89% |
| Ensuring human rights (e.g., eliminating child labor) | 87% |
| Reducing energy use and emissions to combat climate change | 84% |
| Preserving natural resources (e.g., forests) | 84% |
| Ensuring availability and access to safe water | 83% |
| Promoting diversity | 81% |
| Protecting threatened and endangered species | 75% |
| Minimizing disease | 72% |
| Improving nutrition and combating obesity | 69% |
| Alleviating poverty | 62% |

- 2010 Cone Shared Responsibility Study

Americans believe companies can effectively help solve social and environmental issues in a variety of ways:

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| Develop new products or services | 89% |
| Change the way they operate (e.g., use only sustainable materials) | 88% |
| Use other company resources beyond charitable dollars to support a nonprofit or issue (e.g., employee volunteerism time, use of facilities, professional support or expertise, sponsoring an event) | 86% |
| Collaborate with nonprofits, governments, competitors or other groups to address issues collectively | 86% |
| Educate consumers about the issues and how they can become involved | 86% |
| Educate employees to take action | 84% |
| Make a charitable donation(s) to support a nonprofit or issue | 83% |

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About Cone:

Cone (www.coneinc.com) is a strategy and communications agency engaged in building brand trust. Cone creates stakeholder loyalty and long-term relationships through the development and execution of Cause Branding, Brand Marketing, Nonprofit Marketing, Corporate Responsibility and Crisis Prevention and Management initiatives. Cone is a part of the Omnicom Group (NYSE: OMC, www.omnicomgroup.com).