


6 CSR Trends To Watch In 2017



Susan McPherson,  CONTRIBUTOR

I write about social good, innovation and corporate responsibility. [FULL BIO](#) ✓

Opinions expressed by Forbes Contributors are their own.

In the past decade, we've witnessed a stunning transition as corporate social responsibility (CSR) evolved from a nice-to-have silo to a fundamental strategic priority for businesses large and small. More recently, we've watched as companies went beyond their own walls, using their influence to advocate for global solutions around issues such as climate change, education, poverty, and equal and human rights.

As we embark on 2017 — a year that's likely to be fraught with political uncertainty and policy upheaval — the big question for CSR is: what happens now? [Like many of my peers](#), I predict that under new challenges and changing regulations, companies won't just uphold their commitments to sustainability — they will be at the forefront of global progress like never before.

We reached out to CSR experts to get their input on how the new administration will impact corporate sustainability, what other trends will emerge in 2017 and how the industry will continue to evolve.

A commitment to sustainability regardless of political changes

Tim Mohin, chief executive at GRI, echoed the belief that sustainability will remain a priority for corporations: “2017 will obviously be a year of great changes! It is likely that many social and environmental regulations will be weakened. This has happened before. I can recall a similar circumstance when I worked at the Environmental Protection Agency during the Reagan years. The strong backlash back then created a wave major change, including the bi-partisan Clean Air Act Amendments of 1990. The difference this time is the rise of corporate responsibility. While these words would have been considered an oxymoron in the '80s, today most big companies are committed to reporting on their environmental and social impacts and continuously improving their performance. This will not change because it is now engrained in company reputation and brand.”

Dell’s chief responsibility officer, Trisa Thompson, provided her take on why commitments to sustainability will not waiver: “Completely regardless of the global political environment, corporations will continue the march toward sustainable production because it makes sense and is a business necessity.” It’s also become a criterion for working with certain partners: “We are seeing an increase in sustainability and social responsibility show up as a weighted factor in RFPs, particularly from European Governments,” Thompson said.



Images courtesy of Tim Mohin, Trisa Thompson, Alice Korngold (left to right)

Corporations stepping up as advocates and problem-solvers

Many executives believe that this growing commitment to sustainability and responsibility means we'll see more corporations step up to address challenges outside the company. [Alice Korngold](#), consultant and author of "A Better World, Inc.: How Companies Profit by Solving Global Problems...Where Governments Cannot," said: "With recent developments, the last part of my book's title (Where Governments Cannot) is more relevant than ever. The good news is that enough companies are leading the way, and investors are reinforcing corporate initiatives, to grow shareholder value by finding innovative solutions to global problems."

[Dalila Wilson-Scott](#), SVP of community investment at Comcast and president of the Comcast Foundation, predicts that corporations will "become more proactive voices and take actions in support of equity, both internally and in communities."

[Kati Ihamäki](#), who runs sustainability for Finnar, believes more companies will also step up to help tackle the United Nations' Sustainable Development Goals (SDGs). She said: "We'll see more corporations mapping the UN SDGs to their operations and values, asking themselves: Are we fit for the future? Can we help to provide solutions to these worldwide issues? It will be even more vital for companies to work together with states and NGOs to create value for societies, and in turn business opportunities that drive long-term, scalable value creation."



Images courtesy of Kati Ihamäki, Dalila Wilson-Scott and Nicolette van Exel (left to right)

New, rising expectations of the CSO

With more corporations stepping up to drive social impact – both inside and outside the company – the role of the

CSR leader continues to grow more sophisticated. According to [Nicolette van Exel](#), head of CSR at Intuit, "The change in the global socio-economic environment and focus on purpose-driven business models has raised the bar for CSR leaders. There is a new demand and reliance on CSR leaders to influence the private sector. Leaders are broadening their skills and influence across human resources, government affairs and branding to align social impact with their company's business strategy, talent pipeline, and policy environment. Many are starting to report directly to the CEO and are held accountable to lead strategic change initiatives from the top like point of entry marketing, market fit and business model innovation."

A shift from “corporate social responsibility” to “social impact”

Anyone who works in the industry has likely struggled with how to label CSR programs and which terminology to use (Impact? Sustainability? Responsibility?). [Liba Rubenstein](#), SVP of social impact at 21st Century Fox, predicts a continued shift toward ‘impact’: “I have long hoped that the increasing ubiquity of CSR would mean that, in order to cut through the noise and be recognized, companies would have to get more sophisticated in their approach. Indeed, the traditional frame of ‘Corporate Social Responsibility’ is beginning to give way to departments and senior executives with titles like ‘Social Impact,’ and I expect this trend to accelerate in 2017. This branding shift reflects a growing consensus that the key driver for a company’s pro-social program should be not some generic standard of responsibility or as penance for perceived negative effects, but rather unique, measurable, positive impact – human, environmental, societal, and financial.”



Images courtesy of Andrew Winston, Liba Rubenstein, Anna Gedda (left to right)

Accelerating the transition to the circular economy

One area where government policy showed promise in 2016 was incentivizing businesses to increase resource efficiency. Author Andrew Winston explained in [Harvard Business Review](#): “With a growing population and ever-rising demand for resources, it’s becoming necessary to find ways to eliminate waste and reuse valuable materials endlessly. We’re seeing some interesting innovation in policy and business practice. Sweden is planning to [offer tax breaks for fixing things](#) instead of throwing them away, and six EU countries started a four-year project to [help small and medium-size enterprises move to circular models.](#)”

Companies like H&M are also stepping up to drive this change. [Anna Gedda](#), H&M's head of sustainability, said: "We want to continue to make sustainable fashion affordable and available to many people, instead of just a select few. Making sustainable choices should not be a matter of your income or where you live. However, in a world with growing populations and finite resources we need to change how fashion is made and used – to a way that is more healthy and prosperous for our planet. The fashion industry is today too dependent on virgin resources and we need to accelerate the transition from a linear to a circular economy. We are prepared to lead this change and help create a fashion industry that respects planetary boundaries."

More investment in consumer and employee buy-in

Study after study has shown that consumers and employees prefer to purchase from and work for companies that are invested in social and environmental responsibility. But getting customers to know about CSR programs – and make purchasing decisions that support those programs – isn't always easy. Neither is making sure employees actually know what the company is doing from a CSR perspective.

Finnair's Ihamäki said, "Hard data and reporting needs to be in place and back up the decision-making, but in order to really make sustainability a part of your brand, it needs inspiring and purposeful storyline. It needs to 'touch' the customers, in order to be the driver in their decision-making. Same applies for the internal stakeholders: in order to make our customer facing staff to deliver the sustainability message, they need to internalize it first. It needs to be appealing, and be aligned with their own values."

21st Century Fox's Rubenstein also emphasized the importance of storytelling: "The world's most respected companies focus not only on doing meaningful, measurable work in their communities, but also on telling compelling, multidimensional stories about who they are and why Social Impact is core to their identity. They're also taking advantage of exciting mediums like virtual reality (VR) to increase empathy and understanding. A dry CSR report isn't going to move the needle anymore – we all have to be storytellers."

Indeed. While 2017 may bring massive changes, the CSR community is optimistic about the continued leadership role business can and will play in driving social impact, changing consumer behavior and raising global standards. Here's to a productive year.