

Hartz & Minds 19: B2B CSR

Corporate Hartz, LLC boasts an interesting and important area of expertise: **business-to-business (B2B) corporate social responsibility (CSR)**. Since the firm's inception, Scientific-Atlanta, United Technologies, PRG-Schultz, Definition 6, Solvay Pharmaceuticals, Xerox, Intercontinental Hotels Group, Manheim, Merial Limited, and H-P have benefitted from our work. Recent engagements with Lincoln Financial Group, Eastman Chemical, Novelis, and Evraz Steel bolstered our insight into the nuances, challenges, and opportunities of non-profit and governmental partnerships for B2B companies.

Increasingly, B2B enterprises recognize the need for a strategic approach to social investment that mirrors business resources and objectives. Much is written about consumer-facing CSR, but B2B corporate situations are generally different.

- *Physical locations.* Employees, products, and services in B2B companies are concentrated in fewer locations than in retailers. It is easier to communicate and build partnerships with local non-profits, civic leaders, and employees.
- *Customers.* Customers tend to be fewer in number, but larger in size. This facilitates extending these relationships to achieve social improvement, or at the very least, expedites communication about opportunities to engage.
- *Employees.* Turnover is lower in B2B operations than in retail stores, and often unions are involved. There is great benefit to be gained in hiring from within and helping people move "up the ladder" as they gain experience. Investing in employee volunteerism at all levels will reap significant ROI.
- *Brands.* Since products and services do not have to be sold to "anyone with discretionary income," communications can be more targeted. Tying company values to external CSR enhances the brand; gimmicks are not needed.
- *Products.* Since many B2B organizations manufacture products, safety and environment will always be "must have" concerns. Selecting a separate cause that relates to employees, products, industries, or locations is valuable.

Company information is easy to access, and an absence of authentic reporting on CSR, is construed negatively. Most businesses are working in this area, through environmental sustainability programs, in-kind donations, or charitable gifts. In CSR development, proactive consideration of all stakeholders, including the company itself, is critical. What interests, resources, priorities, opportunities, and concerns exist? Benefits of properly implemented and integrated strategies include: cost containment, reputation enhancement, sales goal achievement, efficient and effective human resources, investor and analyst appeal, and regulatory support.

Corporate Hartz is delighted to serve B2B and B2C companies of all sizes in all industries and all geographies, as well as individuals and families who are ready to invest resources in charitable causes to develop themselves, their relations, and their corner of the world.

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