

# CSR GOING FORWARD

## Leaders See Continued Evolution

By Rebecca Patrick

BizVoice® has featured stories on corporate social responsibility – or CSR – in each 2016 issue (scan QR code for two-minute video summary). To cap the series, we reached out to some of those same individuals for additional perspective on where CSR is headed.



### The participants

- Vicki Bohlsen, president, Bohlsen Group, at [www.bohlsengroup.com](http://www.bohlsengroup.com)
- Dora Lutz, founder and president, GivingSpring, at [www.giving-spring.com](http://www.giving-spring.com)
- Ryan McCarty, co-founder, Culture of Good, at [www.cultureofgood.com](http://www.cultureofgood.com)
- Russell Menyhart, attorney, Taft Stettinius & Hollister LLP, at [www.taftlaw.com](http://www.taftlaw.com)
- Brien Smith, Ph.D., dean, Scott College of Business at Indiana State University, at [www.indstate.edu/business/home](http://www.indstate.edu/business/home)

### On the homefront

Indiana's gradual embrace of CSR mirrors much of the country, but there are indications for bigger things on the horizon.

"Indiana is just beginning to see social entrepreneurship and impact investing take root, and you will hear these terms more in the coming year," Menyhart predicts. (Social entrepreneurs are people who establish a for-profit business with the aim of addressing social or environmental problems or affecting social change.)

The Indianapolis area has what Menyhart calls the "special sauce" to be a leader in the social entrepreneurship field due to its entrepreneurial spirit and many notable recent tech successes, as well as a crop of "socially-minded actors, as shown by our high number of community foundations and the Lilly Family School of Philanthropy." He believes that as the "social entrepreneurship eco-system grows, we will see many innovative, for-profit businesses emerge."

Lutz views 2016 as a great period for Indiana "gaining traction" with this topic. "Nonprofits, corporate partners and even state agencies are beginning to discuss how we create alignment to solve some of our most challenging social issues," she notes.

Examples of such progress, Lutz says, include "the Engage Indiana Conference in November, the series of B Corp workshops conducted by the Bohlsen Group, events by the

Indiana Philanthropy Alliance and work being done with the Lilly Endowment to provide opportunities to enhance school counseling and drive workforce readiness."

Two Hoosiers companies – GivingSpring (Lutz's group) and Realized Worth – were also invited to the Impact 2030 Global Summit in New York in September.

As for the efforts of the Bohlsen Group, another CSR education series recently concluded. "We touched upwards of 30 different companies of different sizes and purposes, and another hundred or so individuals," Vicki Bohlsen shares.

"We involved many stakeholders and companies to share their CSR experiences and insight. It was enlightening to hear the questions on people's minds. I am hopeful that it will start to be understood that companies with a strong CSR orientation have a longer life expectancy and that institutionalized CSR programs are becoming the rule, not the exception."

McCarty concurs with the premise that "Indiana seems to be in step with CSR programs in many other states, but the idea of it evolving beyond a program to how a business operates is yet to be fully realized."

Still, Lutz stresses she's "very proud of the speed at which Indiana is seizing this conversation. Indiana can be the place people choose to live because they want to change the world and they know they can do it here."

"We have everything we need to make this happen: affordability, access to change makers, a community of nonprofit leaders, universities incubating social innovation and a culture that is naturally inclined towards social responsibility."

### Coming soon

Looking at the big picture, to the next evolution for CSR, elicits a variety of predictions.

"CSR as a program will swiftly become a thing of the past," McCarty asserts. "The idea that employees, customers and causes can be a three-siloed approach to running a business or organization will shift to an understanding that there is a symbiotic relationship among them."

"In terms of how this translates to business, I see the three becoming one effort drawing from each to impact the business on an enterprise level," he concludes.



Dora Lutz, who shares her CSR knowledge with a variety of clients, "loves seeing new ideas and thoughts emerge from others in the community, and being able to pull it into my own work. It's fun to see practical outcomes emerge from theory."

## Thinking Outside the 'Box'

Morphing business and community engagement has long since been occurring at an Indianapolis-based creative agency.

For seven years straight, SmallBox developed a web site – in 24 hours – for free for a local non-profit. Second Helpings, an organization dedicated to eliminating hunger, was the first recipient in 2009.

The company's Nice Projects awarded \$1,000 grants to individuals and nonprofits in the community for creative efforts that would make Indianapolis a nicer place to live.

CEO and co-founder Jeb Banner says his entire team “really run with these programs and have pushed to think and reinvent how we engage the community.

“They are all empowered to get involved with local organizations and to donate their time and talent. We often sponsor the nonprofits they are involved with. Quite a few SmallBox employees have even founded nonprofits,” he shares.

SmallBox launched and continues to fund Musical Family Tree, a nonprofit that serves Indiana musicians, specifically those outside the more classical arts like symphony or opera. Banner explains: “It's more for rock 'n roll, hip-hop or singer-songwriter musicians who don't really have an advocate or an organization to support them.”

A vehicle that is helping SmallBox take CSR to the next level is Factory Week. The concept was born five years ago over the need to fine-tune things internally, make time for certain projects and a desire to “push the whole team to work together in new ways and really adapt our way of working,” Banner recalls.

All employees spend a week off-site twice a year. One session had as many as 30 projects; others two or four, he reports.

“We've done the good chunk of our own (current) web site during one Factory Week. A lot of the strategic direction we are headed in right now – which is more toward consulting and design thinking, workshops and learning experiences – were visions during a recent Factory Week,” Banner offers.

“We've also built software products which we have used with clients. We've built video games just for fun. We've done community projects of all sorts. So many things over the years.”

The Factory Week idea is one SmallBox encourages others to implement. Indeed, other businesses have turned it into their own experience, sometimes doing it for a few days and under a different name. “IU Health did it four years ago ... they made a short video for us and sent it afterwards. It's neat to see (the idea) go out into the world and mutate.”

And during the latest Factory Week in August is where the shift to a greater CSR focus – at the behest of both leadership and employees – took place.

“We did a whole day session on how we are going to engage the community going forward,” Banner begins. “What we are looking to do is bring our facilitation services – particularly around problem-solving – to different organizations in the community. We've begun experimenting with that.

“We did a session recently where we facilitated what you would call a UX (user experience) workshop specifically around the interface for Brackets for Good (an Indianapolis-based effort to help raise the profile of nonprofit organizations to increase donations).

“That's definitely where we will be going in the future and doing more of those types of things.”



SmallBox's latest Factory Week included time out for a scavenger hunt in downtown Indianapolis. The company mixed in fun and community engagement, including bringing donuts to a local non-profit.

**RESOURCE:** Jeb Banner, SmallBox, at [www.smallbox.com](http://www.smallbox.com)

More sharing of best practices is what Bohlson is hoping for.

“Most companies are doing something in the CSR space and, once they uncover that, I hope they will tell their story,” she remarks.

Beyond the growth of social entrepreneurship here and across the country, Menyhart also foresees “increased use of rigorous analytical tools for companies that focus on the double bottom line, such as B Corp certification.” (In Indiana, there are currently four that have earned that distinction).

“Talking about combining social purpose and for-profit business – using terms like ‘mission-driven companies,’ ‘double/triple bottom line,’ and ‘benefit corporations’ – will become commonplace.” (Double bottom line also includes a measure for positive social impact; triple bottom line factors in social, environmental and financial performance.)

For her part, Lutz believes “the conversation will continue to become more pragmatic. It's going to be less about ‘doing the right thing’ or being ‘philanthropic’ and more about considering how corporations align the resources of skills, networks and people to drive impact for the community at a greater scale.”

Smith mixes a dose of reality with his optimism. “I do see public interest in CSR waxing and waning over time. For example, during the recent presidential debates, the influence of big business on political platforms, North American trade, job creation and taxes were center stage.

“(You have) further ethical concerns in the business headlines – like Mylan (with EpiPen costs) and Wells Fargo (with customer fraud) – that continue to underscore the importance of ethical behavior in business,” he declares.

“So the next few years may present a great window of opportunity for educators to make salient cases for CSR to their students, and for businesses to seize the opportunity to be leaders in building a better world for tomorrow.”

McCarty can envision a time – not too far away – when CSR will be simply engrained into the fabric of business.

“We will no longer call CSR ‘CSR’ and simply know that this is a way of life for each company that intends on growing through the highs and lows of economic trends.”