

? WHAT SHOULD THE PRIORITIES OF THE CENTER BE?



BSR's APPROACH TO Social Justice

- EQUITABLE PROCESSES + OUTCOMES -
- ACCESS to OPPORTUNITY -
- PARTICIPATION ACROSS ECOSYSTEM -

? WHAT DOES AUTHENTIC ENGAGEMENT IN SOCIAL JUSTICE LOOK LIKE?



Center for Business & Social Justice

Welcome

A Roadmap For Business Engagement on Social Justice Issues in the U.S. for 2024 and Beyond

MULTI-DISCIPLINARY DISRUPT GUID DEMO RADICAL RE

Agenda

Meeting the Moment &
Looking to the Future

*Moving Beyond Crisis to
Action: The Social Justice
Guide for Business*

Moderated Q&A

Speakers



Jarrid Green

Co-Director, Center for Business & Social Justice

BSR



Jen Stark

Co-Director, Center for Business & Social Justice

BSR



David Stearns

Moderator

Managing Director, Communications

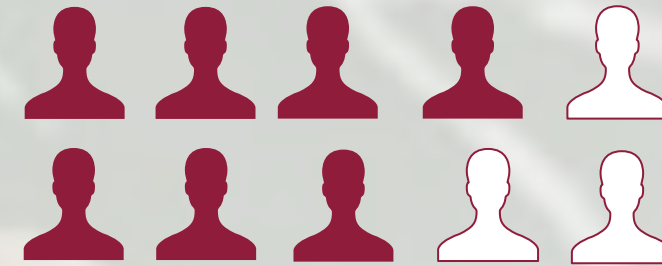
BSR

01

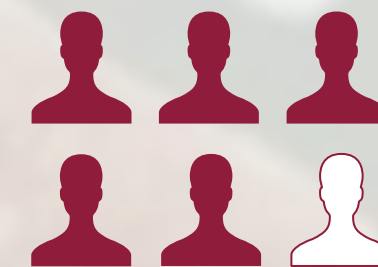
Meeting the Moment &
Looking to the Future

High Expectations + Stakeholder Sentiment + Scrutiny = New Normal

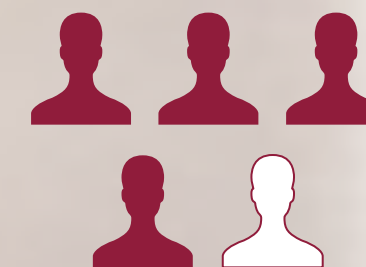
- **70% of consumers** believe companies should talk about how they address social environmental issues continuously throughout the year rather than during occasional moments in time.
- **65% of employees** say companies have a responsibility to speak up even if the issue is sensitive or controversial.
- **Nine in 10** investors believe a company has a responsibility to play a role in addressing societal problems.
- Trust **rises** across most industry sectors.



7 in 10 employed adults in the U.S. agree that companies should respond to social issues.

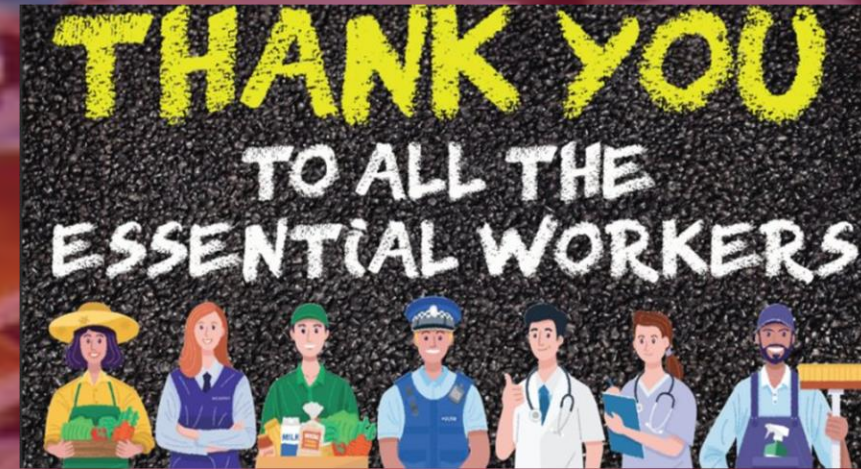


5:1 adults say it would make them more likely to want to work for a company that advances social justice through investments, donations, and advocacy.

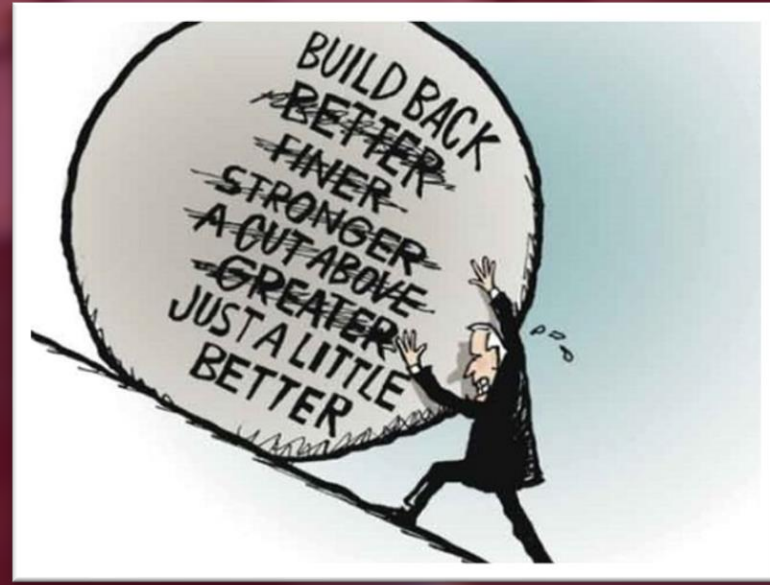


4:1 workers want to be a part of a business that promotes social justice internally through workplace policies and practices.

2020: Era of Corporate Social Justice Begins?



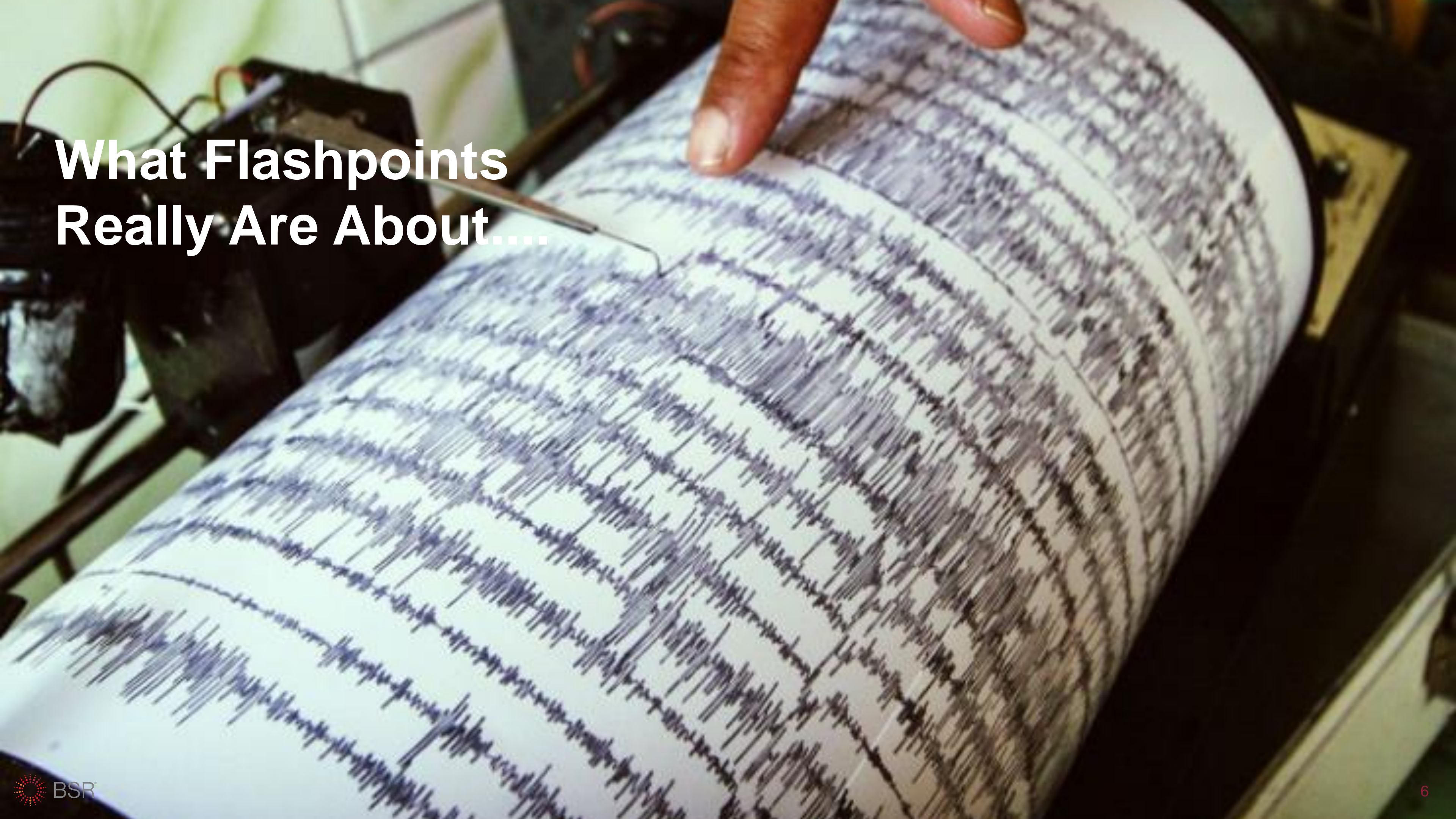
More than 150 companies back update to Voting Rights Act



COMPANIES ARE NOW VOICING SUPPORT FOR THE EQUAL RIGHTS AMENDMENT

Biden signs bill ending forced arbitration in sexual assault, harassment cases

What Flashpoints Really Are About....



02

*Moving Beyond Crisis to Action: The
Social Justice Guide for Business*

Overview

Moving Beyond Crisis to Action: A Social Justice Guide for Business offers a roadmap for corporate executives and practitioners to go beyond flashpoints and blowback, and to avoid performative efforts, by offering a proactive, enduring approach to social justice.

The interaction between business and social justice is **evolving**, and this guidance serves as the basis to spark dialogue and collaboration with **urgency** and purpose.

Center for Business & Social Justice
BSR

contact us | subscribe to newsletter

Origin Story | I. How Companies Engage | II. A Social Justice Approach | III. Advancing Social Justice

The Social Justice Guide for Business: Moving Beyond Crisis to Action

The Future of Business Requires a Social Justice Approach

- A New Normal**
Countless flashpoints in recent years demonstrate a new normal where companies are expected to moderate, mitigate, and mediate issues historically viewed mostly as tangential to their operations. In just the last four years, we have seen the pendulum swing from a flood of corporate statements and signaling to a trickle. The combination of fear of blowback and retaliation as well as increasing expectations for meaningful action by companies calls for retrospective sensemaking and a new path forward.
- What This Guide Provides**
This guide provides pathways for companies to pursue more holistic, proactive approaches, rather than reactive ones driven by flashpoints that often leave companies prone to missteps and vulnerabilities. It thoughtfully unpacks implementation strategies to incorporate socially just and equitable outcomes at a societal level. Indeed, there is a long and evolving history of corporate engagement on social issues as well as several existing frameworks that many companies already often use in discrete ways. This material hopes to build on those valuable foundations and offer some sensemaking.
- Why This is Important**
This is a paradigm shift from business as usual, but one that is both possible and necessary. It requires making decisions that are often not win-win in the near term. This guidance is designed to support business leaders' ability to make strategic, meaningful, and sustainable decisions regarding their companies' engagement on social issues in ways that purposefully advance social justice.

Moving Beyond Crisis to Action: The Social Justice Guide for Business

This foundational resource, made freely available to the private sector and civil society by BSR's Center for Business & Social Justice (CBSJ), illuminates ways to sustain and raise corporate ambition in meaningful ways.

Source: <https://socialjustice.bsr.org/how-companies-engage>

I. How do companies currently engage on social issues?

Section 1 describes the key forms of social engagement by business as it has evolved to identify future engagement strategies.

Tool: The ecosystem of existing resources for corporate engagement on social issues

At each stage in the journey, there are existing frameworks and resources designed to help the business community understand and manage its social risks and impacts. We've aimed to outline the existing resources that can also serve as foundational stepping stones and valuable guidance for companies building toward applying a social justice approach.

CATEGORY	RESOURCE
Frameworks for reimagining the business role in society	The Business Role in Creating the 21st Century Social Contract articulates an overhaul to the social contract—the relationship between individuals and institutions—to meet 21st century realities.
	Resilient Business Strategies defines essential pathways to achieving a just world and an economy that delivers truly inclusive and sustainable prosperity.
	Business Actions for a Healthy Society (Healthy Business Coalition) offers guidance on how business can positively impact the social determinants of health.
	The Shared Opportunity to Promote: A Set of Rights that moves beyond the perception of rights as a zero-sum game.
	Redefining Sustainable Business outlines the blueprint for the future of sustainable business.
	Reimagine Capitalism in America issues a call for a new economic and societal well-being at the center, enabling a more equitable and resilient future.
	Doughnut Economics models the challenge of meeting basic needs while staying within the planet's ecological limits.
	Intentional Power: The 6 Essential Leadership Practices to innovate the way they create community.
Higher Ground: How Business Can Do The Right Thing challenges and complex social and political business practices.	
The Activist Leader: A New Mindset for Doing Good Businesses are typically seen as part of the solution.	

How do companies currently engage on social issues?

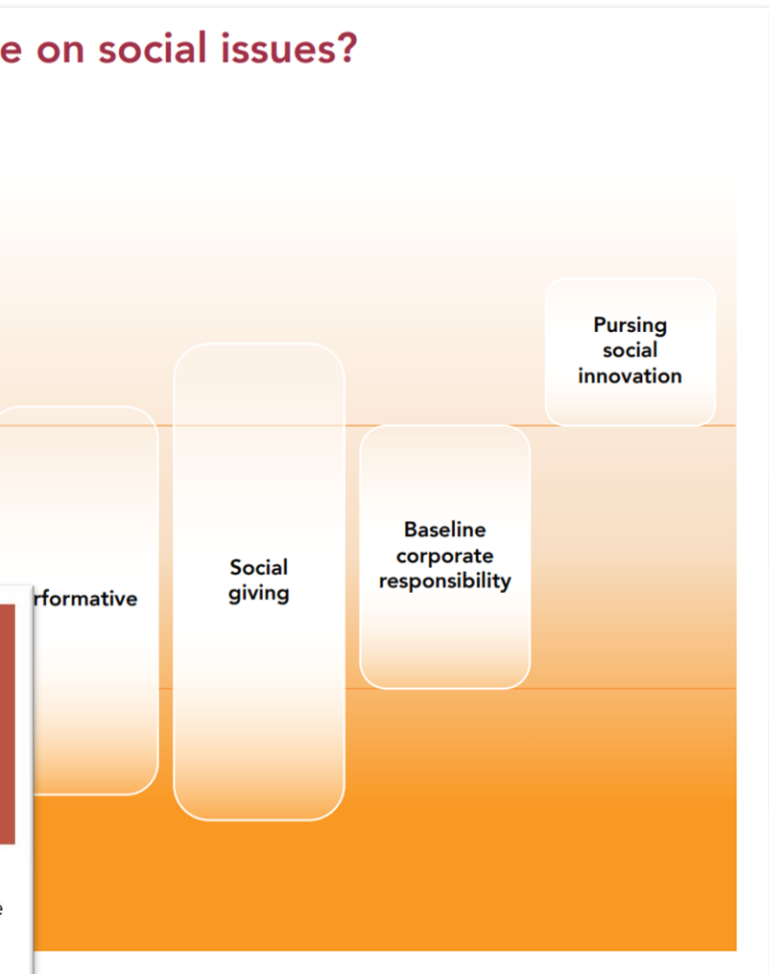
SOCIAL IMPACT

Net Positive

The company proactively takes decisions and actions that promote positive and equitable social outcomes.

Net Neutral

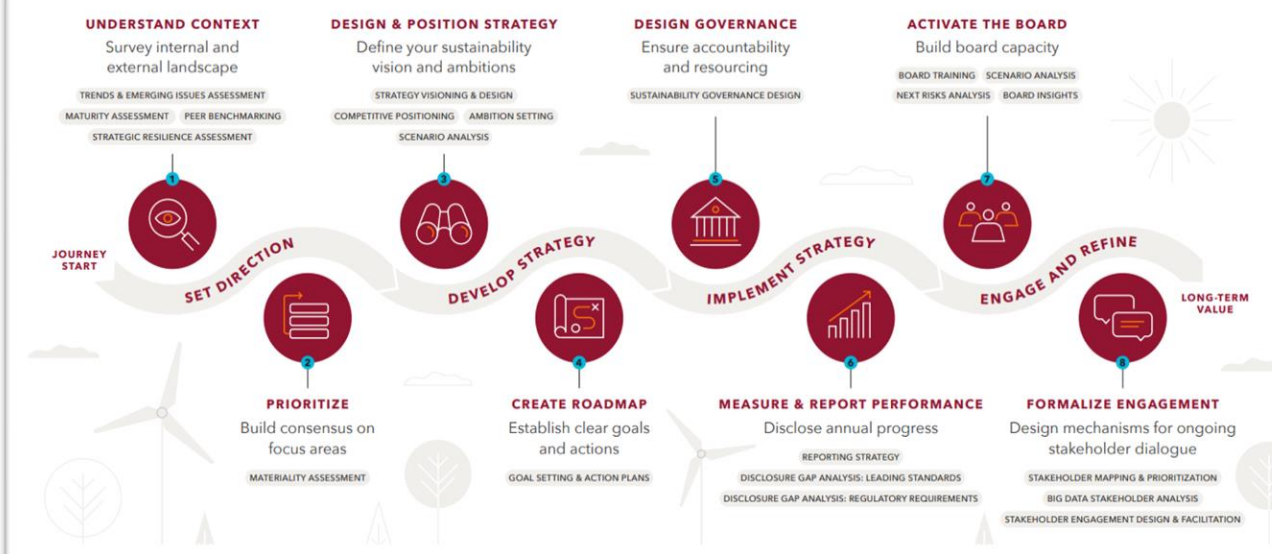
The company ensures that its decisions and actions do not cause harm to people and where



4

How do these frameworks and forms of engagement factor into corporate strategy and shape the landscape for action?

Many companies proactively incorporate management of social issues into their broader corporate strategy, using some or all of the steps outlined below as a part of their strategy development and implementation journey.



II. What is a corporate social justice approach?

Section 2 defines the terms and provides a framework to help businesses address social justice issues

1. Existing framework based on distinct approaches to social justice
2. Clarifies the distinctions between business as usual and a social justice approach
3. Examples of how to apply a social justice approach to strategy development and implementation.

Tool: A corporate social justice framework based on human rights, participation, access, and equity

Taking a social justice approach involves a **proactive and intentional** process to incorporate the social justice pillars (human rights, participation, access, and equality) as guide rails for informing and directing corporate strategy, decision-making, and action that supports social justice.



Pillar 1: Human Rights

Human Rights are the cornerstone of social justice in any institution. Grounded in international law, human rights include the most fundamental of rights, such as freedom and dignity, as well as those that enable people to engage in social, cultural, economic, and political spheres of society. Because human rights are universally inherent regardless of affiliation with any identity, using human rights as a baseline for value-based decision-making further reinforces equity as an outcome.

What does human rights mean for companies?

Process

Companies should:

- Use human rights as a baseline for establishing and upholding corporate values and apply them to decisions and actions across the value chain.
- Use human rights as the baseline for assessing potential risks and actual social harm connected with their decisions and actions, especially focusing on vulnerable groups (e.g., direct and supply chain workforces, local communities, customers, consumers, and business partners).

- Remedy actual and mitigate potential harm and establish ongoing and forward-

Tool: A set of process-based questions and corresponding guidance for applying a social justice approach to the corporate strategy development and implementation process

Phase 1: Understand Context

Survey the internal and external landscape.

Key Questions

(Ask these alongside other efforts to explore context)

1.A.1 Human Rights

How do the company's core values shape, support, or inhibit approaches to business engagement on societal issues? Are the core values aligned with human rights or could they be?

Apply a Social Justice Lens

(Consider this guidance as you answer the questions and develop a strategy)

1.B.1 Establish respect for human rights as a baseline that underwrites corporate values. Doing so positions the company to engage on social issues (both planned and emergent) based on their core values being firmly rooted in universally agreed principles that apply to all human beings. This can be an important anchor for decision-making—including what societal issues to engage on and how to engage on them—in an increasingly polarized environment.

3 How is this different from business as usual?

Tool: A guide to 5 key distinctions between business-as-usual corporate forms of engagement and a social justice approach

Many companies are already acting on some of the process points listed above; for example, engaging stakeholders in some capacity or conducting human rights assessments. However, the application of a social justice approach tends to diverge from business-as-usual forms of engagement in five key ways:

DIFFERENCE	BUSINESS AS USUAL	SOCIAL JUSTICE APPROACH
1. Floor & Ceiling	Treats legal compliance as the floor and mitigating their negative social impacts as the ceiling. While all companies have a responsibility to understand and mitigate the negative social impacts of their business, this is largely self-regulated and voluntary in the US (whereas EU regulations are ushering in a new area of compliance that will have an impact globally). <i>(May reflect non-engagement or performative.)</i>	Treats respecting human rights and mitigating the negative social impacts of business as the floor, and then raises the level of ambition toward opportunities to proactively promote positive social outcomes, even when that requires short-term trade-offs on business terms, such as customer acquisition, revenue growth, and profitability. <i>(Builds on baseline corporate responsibility and social innovation.)</i>
2. Objective	Centers profit maximization as the primary objective and frame for decision-making, even when doing so creates negative social impacts. <i>(May reflect socially subversive, non-engagement or performative.)</i>	Focuses on long-term value creation by integrating positive and equitable social outcomes as a primary objective, even when that may require some trade-offs or short-term sacrifice on business terms. <i>(Builds on social innovation but raises ambition to support pro-social outcomes beyond "win-win" situations for the businesses.)</i>

human rights that can help underwrite corporate POVs on specific issues. For specific firms, identify the set of human rights that are most connected with the issue and use to inform the development of a corporate POV.⁵ This can be particularly powerful in situations where a group is attempting to politicize human rights.

through early participation from relevant experts and affected stakeholders. Ensure that the process (especially external context and external perception of internal context) are informed by and affected stakeholders outside of the corporate bubble to avoid misdirected focus and perspective.

III. What can companies do to advance social justice?

Section 3 spotlights challenges companies face as they build their engagement strategies and offers high-impact, actionable recommendations for overcoming barriers while minimizing risk.

Tool: A set of common barriers companies are likely to address

The chart on this page outlines some of the most common barriers to corporate action on social justice that the Center captured from BSR members in focus groups, surveys and ongoing requests for assistance. Tactics companies can employ to move beyond these barriers and begin capturing high-impact opportunities across their value chains are also outlined.

Barrier: Fear of a misstep	
Common pitfalls & contexts facing businesses	Action step for business
<p>The notion of perfection is old school. Missteps are inevitable. The more a company is able to say about its actions, the more likely the company will have a target on its back, both from naysayers who dislike those actions and stakeholders who expect even more. And despite best efforts, officeholders and influencers (who don't represent majority sentiment) will try to stir up controversy where there is none to create chaos and bully companies.</p>	<p>Differentiate inevitable blowback in turbulent times from a misstep. A misstep necessitates an apology, whereas blowback becomes a misstep if it isn't thoughtfully handled.</p> <p>Lean on company values and don't back down from inevitable blowback. Corporate leaders who make decisions or set strategies should do so based on clear and coherent alignment with values that are core to their businesses, not just empty rhetoric. Companies that articulate and stick to a clear set of values that guide their actions and decision-making are able to navigate turbulence better because they know where they stand. Companies that backpedal on their stated values in moments of opposition struggle and lose ground on the issue they purportedly support.</p> <p>Leverage ongoing stakeholder engagement to anticipate blind spots, prevent missteps, and enlist partners to</p>
Barrier: It's not required	
Common pitfalls & contexts facing businesses	Action step for business
<p>In a largely voluntary environment, companies treat legal compliance as the ceiling for action on social issues and risks. Most US companies are structured and incentivized to engage in activities that maximize their financial profits. They are not necessarily "against" social justice. However, by holding a single metric above all others, they naturally resist taking actions that could advance more prosocial outcomes when those actions wouldn't also lead to maximizing short-term profits. Any redirection of resources toward managing social issues might spur activist shareholders to claim the shareholder value.</p>	<p>Commit to baseline corporate responsibility to at least mitigate negative social impacts of the business and manage social risks as a minimum bar regardless of whether there is a legal requirement to do so. Make or tie this to a core corporate value (e.g., "We take responsibility for the impacts our business has on our stakeholders" or "Our company respects human rights").</p> <p>Ensure CSR/ESG/human rights programs identify and address negative harms and social risks at least related to the company's most material issues. Over time, explore opportunities to proactively promote equitable social outcomes, having built the knowledge, muscle, and</p>
<p>Companies that aim to advance social justice to make decisions that require especially sh in traditional business terms, even when the to do so. Not only is this not mandatory, bu corporate responsibility efforts (just not doi not mandatory or sufficiently enforced for U result, many companies default to perform social issue engagement is primarily based marketing benefits, or falls short on meanin social issues.</p> <p>New regulatory developments are beginnin face of this landscape, making elements of diligence and ESG reporting mandatory for this is mostly happening in Europe, US com operations will also be affected by these de</p>	<p>There is an ongoing problem of defining issues as political ones rather than human rights issues. Meanwhile, investors are filing resolutions on all ends of the spectrum. Some want business to do more, others want less. Some are making the case that actions are risking business and/or diverting resources from shareholder value. Others claim that business is not doing enough to mitigate the harm both within their walls and in the communities where they live and work.</p> <p>Many companies don't want to be a first mover and also don't have the bandwidth to generate action in an environment where their good-faith efforts might be seen by elected officials, investors, and the public as taking sides in ever-evolving and long-standing political debates.</p> <p>Anticipatory obedience is the default corporate mindset. Companies and their leadership are "thinking ahead about what a more repressive government will want," whether intentionally or not, and then acting accordingly. The business threat is real because companies have been carved out of state-based markets or opportunities despite taking nuanced stances on issues.</p>
Barrier: The "politics" of it all	
Common pitfalls & contexts facing businesses	Action step for business
<p>There is an ongoing problem of defining issues as political ones rather than human rights issues. Meanwhile, investors are filing resolutions on all ends of the spectrum. Some want business to do more, others want less. Some are making the case that actions are risking business and/or diverting resources from shareholder value. Others claim that business is not doing enough to mitigate the harm both within their walls and in the communities where they live and work.</p> <p>Many companies don't want to be a first mover and also don't have the bandwidth to generate action in an environment where their good-faith efforts might be seen by elected officials, investors, and the public as taking sides in ever-evolving and long-standing political debates.</p> <p>Anticipatory obedience is the default corporate mindset. Companies and their leadership are "thinking ahead about what a more repressive government will want," whether intentionally or not, and then acting accordingly. The business threat is real because companies have been carved out of state-based markets or opportunities despite taking nuanced stances on issues.</p>	<p>Leverage evidence-based approaches to invalidate detractors and reinforce why the company is engaging on issues grounded in materiality not morality. Many perceived political issues actually have majority support among workers across all demographics.</p> <p>Reinforce statements and stances with actions to demonstrate congruence across policies, actions, and values. If there is no consistency, then companies find themselves in turbulence of their own making. Prioritizing issues that generate the most internal alignment and material impact, in the near and long term, is a better strategy than leaning into every flashpoint.</p> <p>Identify issues with stakeholders that may be underreported and underrepresented yet provide meaningful opportunities for corporate engagement. While the media spotlight may ebb and flow, affordable housing, food security, quality childcare, and many other topics that impact a wide swath of stakeholders are ripe for sustained, systematic private sector engagement on a community, state, and national level.</p> <p>Qualify legal claims designed to sow chaos rather than substantively address social issues. Don't blink. Corporate legal teams can be resourced to help situate good faith challenges from those designed to sow division and chaos including investor-led efforts. Consider the source and don't react based on loudest voices or disruptions caused.</p> <p>Don't be afraid to go first. Instead of dismissing "going it alone," embrace a scenario where a company can set the pace among peers in industry when it comes to incorporating a social justice approach across the board or in particular instances. Being the "only one" doesn't have to have a negative connotation and can result in positive unintended consequences.</p>

“ It should be required reading for businesses.

”

“ A CEO can't say they don't want to do accounting. A CEO can't say anymore they don't care about social impact. It's a dereliction of duty.

”

“ The focus on process and power is great and cannot be overstated.

”

03

Moderated Q&A

What's Next

Date	Engagement	Action
March 6, 2024 1PM ET	<u>Resilience Amidst the Backlash: Navigating Current Challenges Facing DEIA Initiatives</u> <i>(BSR Member Webinar)</i>	Complete online registration at BSR Events website.
March 25, 2024	<u>Guide Launch Download Survey</u>	<i>Complete upon receipt.</i>
April 2, 2024 2PM ET	<u>CBSJ Guide Launch Office Hours</u> <i>(BSR Member Engagement)</i>	<i>Reach out to Jarrid Green at jgreen@bsr.org to receive invite.</i>
Ongoing	<u>Contact Us</u> <i>Let's discuss ways we can help your team.</i> <i>Subscribe to the CBSJ newsletter.</i>	Reach out to Jarrid & Jen jgreen@bsr.org & jstark@bsr.org Subscription Link

Thank You



Copyright © 2022 by Business for Social Responsibility (BSR)