



COMPANIES AND COMMUNITIES WIN-WIN PARTNERS

THE NEW CORPORATE CITIZENSHIP

Often described as business ethics, corporate responsibility, sustainable development, or corporate social responsibility, corporate citizenship is not just about how companies give their money away, today it's as much about how businesses make their money.

At its core, corporate citizenship is about living up to the core values that are at the heart and soul of great organizations. These will be different for different companies, but typically include operating with integrity, all around excellence, respect and concern for employees and communities, as well as creating shareholder value and beating the competition. The new corporate citizenship demands that companies make good on all of these values.

It also means that companies recognize that they work in a marketplace but live in a society. Companies must manage risk to ensure that the decisions they make impart the least possible harm to society and the environment. In return, companies that do so will find that societal and environmental stakeholders will support the business, rather than challenge it or pose risks.

The new corporate citizenship challenges executives to find alternatives to zero-sum solutions that often emphasize shareholder value at the cost of social and environmental welfare. Instead, the new corporate citizenship challenges companies to deliver not just financial returns but also environmental and social value—together marking the pillars of what is called a “triple bottom line” or “blended value.”

At its core, the new corporate citizenship is about engagement—building bridges to stakeholders who can affect, or are affected by, the company. At its best, dialogue with stakeholders doesn't tie corporate hands. Rather, these groups become sensing eyes and ears contributing to innovation, risk management, and problem solving. The new corporate citizenship requires business transparency and accountability regarding the ways in which business practices generate benefits and costs for issues ranging from employee diversity, community development, working conditions, clean air and water, human rights, poverty, and corruption.

The new corporate citizenship is fundamental to good business. It is integrated into governance systems, reflected in the voice of leadership, and embedded through policies, strategies, systems, roles, and responsibilities. Leading corporate citizens measure their performance and seek feedback from stakeholders.

Moving beyond the old corporate citizenship—based on compliance, regulation, penalty, boycott, and lawsuit—to the new corporate citizenship helps business mitigate risks and, at the same time, maximize opportunities to create value for their shareholders, employees, and society. Indeed, the new corporate citizenship promises returns that are much greater than the sum of its parts. It's up to companies to make it deliver.

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The Center for Corporate Citizenship at Boston College, the nation's leading research center and provider of executive education programs on corporate citizenship issues, has a membership comprising 350 prestigious companies. For more information see www.bc.edu/corporatecitizenship.

HABITAT FOR HUMANITY: A WIN-WIN PARTNER

Since its start in 1976, Habitat for Humanity International has built more than 150,000 houses for people in need in more than 2,000 communities and 92 countries. HFHI works in partnership with individuals, organizations, and businesses everywhere to strengthen communities, building homes one family at a time.

Businesses partner with Habitat to sponsor homes through donations of cash and product. Employee volunteer programs provide hands-on labor. Corporations also raise awareness through media campaigns and cause-marketing initiatives.

Why should corporations large and small partner with Habitat?

- Companies increase brand value and differentiate themselves from their competition because customers prefer businesses that do good in the community.
- Businesses strengthen the marketplace for their products and services by supporting the communities in which they operate.
- Management and employees develop a greater sense of pride and company loyalty by working with Habitat—and hands-on experiential projects strengthen bonds and build teamwork.

Habitat can target opportunities for corporate partners in specific markets and communities. To learn more visit www.habitat.org or call (229) 924-6935.

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