BSR/GlobeScan State of Sustainable Business Poll 2011
Fact Sheet

Key CSR/Sustainability Issues

There was a gradual increase in the proportion of respondents that selected human rights as a CSR/sustainability priority for their companies since 2009. Climate change also continues to be a priority for companies, with almost two thirds of respondents stating that it has been a priority since 2009.

Water availability/quality is the only issue that had a significant increase in the proportion of respondents selecting it as a *very significant* priority.

A priority:

	2011	2010	2009
Human rights	65%	59%	56%
Climate change	63%	63%	66%
Workers' rights	61%	62%	56%
Water availability/quality	54%	47%	50%
Public policy frameworks promoting sustainability	48%	46%	56%
Sustainable consumption	47%	46%	51%
Poverty reduction	30%	26%	33%

Q: When you think about the focus of your company's CSR/sustainability efforts in the next 12 months, how much of a priority are each of the following issues?

*Percentage of respondents who selected **4 or 5** on a 5-point scale where 1 is "not at all a priority" and 5 is "a very significant priority."*

A very significant priority:

	2011	2010	2009
Workers' rights	34%	32%	29%
Human rights	33%	31%	32%
Water availability/quality	28%	19%	26%
Climate change	27%	27%	41%
Sustainable consumption	21%	16%	22%
Public policy frameworks promoting sustainability	19%	18%	22%
Poverty reduction	11%	10%	18%

Q: When you think about the focus of your company's CSR/sustainability efforts in the next 12 months, how much of a priority are each of the following issues?

*Percentage of respondents who selected **5** on a 5-point scale where 1 is "not at all a priority" and 5 is "a very significant priority."*

Respondents continue to acknowledge that the public does not have a high level of trust in business.

	2011	2010
No trust at all (1)	2%	1%
2	29%	34%
3	55%	53%
4	12%	11%
A great deal of trust (5)	2%	1%

Q: How much trust do you believe the public has in business today? 5-point scale where 1 is "no trust at all" and 5 is "a great deal of trust."

The two most important actions companies can take to improve public trust in business are to increase the transparency of business practices and measure and demonstrate positive social and environmental impacts.

A significantly higher proportion of respondents in 2011 said that creating innovative products and business models designed for sustainability is something that companies should do to improve trust in business.

	2011	2010
Increase transparency of business practices	55%	53%
Measure and demonstrate positive social and environmental impacts	51%	54%
Create innovative products and business models designed for sustainability	42%	34%
Improve stakeholder dialogue and engagement	36%	37%
Respond promptly and effectively to accidents, product-quality issues, and other incidents	34%	43%
Increase CEO leadership on CSR/sustainability	22%	23%
Work closely with NGOs on social and environmental issues	17%	16%
Reform executive compensation	17%	14%
Increase board oversight of CSR/sustainability	11%	10%
Better align lobbying efforts and CSR/sustainability goals	8%	7%

Q: Which of the following are most important actions companies should take to improve public trust in business?

Because respondents were allowed to name two industries, table sums to more than 100 percent.

Respondents believe that business is showing the most leadership today in measuring and demonstrating positive social and environmental impacts. Other leadership areas include creating innovative products and business models designed for sustainability, and responding promptly and effectively to accidents, product-quality issues, and other incidents.

	2011	2010
Measuring and demonstrating positive social and environmental impacts	40%	39%
Creating innovative products and business models designed for sustainability	38%	40%
Responding promptly and effectively to accidents, product-quality issues, and other incidents	38%	35%
Improving stakeholder dialogue and engagement	35%	34%
Working closely with NGOs on social and environmental issues	34%	28%
Increasing transparency of business practices	32%	34%
Increasing CEO leadership on CSR/sustainability	26%	28%
Increasing board oversight of CSR/sustainability	12%	10%
Better aligning lobbying efforts and CSR/sustainability goals	12%	8%
Reforming executive compensation	3%	5%

Q: In which three of the following areas is business showing the greatest leadership today?

Because respondents were allowed to name two industries, table sums to more than 100 percent.

In addition to being the area mentioned most where business is showing leadership, creating innovative products and business models designed for sustainability clearly remains the most important driver of overall business success.

	2011	2010
Creating innovative products and business models designed for sustainability	70%	66%
Measuring and demonstrating positive social and environmental impacts	43%	39%
Responding promptly and effectively to accidents, product-quality issues, and other incidents	35%	39%
Increasing transparency of business practices	34%	36%
Improving stakeholder dialogue and engagement	33%	30%
Increasing CEO leadership on CSR/sustainability	31%	34%
Increasing board oversight of CSR/sustainability	11%	15%
Better aligning lobbying efforts and CSR/sustainability goals	11%	8%
Working closely with NGOs on social and environmental issues	10%	7%
Reforming executive compensation	6%	5%

Q: And which three of the following areas are the most important drivers of overall business success?

Consistent with last year, nearly three quarters of respondents believe that internal and external CSR/sustainability communications will increase over the next 12 months. Again, budgets for CSR/sustainability are expected to at least stay the same in a majority of cases, and many believe their budgets will increase.

		Will increase	*Will stay the same*	*Will decrease*
Amount of external CSR/sustainability communications	2011	68%	30%	1%
	2010	71%	27%	1%
	2009	66%	30%	1%
Amount of internal CSR/sustainability communications	2011	68%	28%	2%
	2010	72%	26%	1%
	2009	66%	30%	0%
CEO-level engagement on CSR/sustainability	2011	40%	56%	2%
	2010	41%	56%	1%
	2009	50%	45%	2%
Demonstrable return on investment from CSR/sustainability	2011	40%	56%	3%
	2010	39%	57%	2%
	2009	48%	45%	3%
Budget for CSR/sustainability	2011	39%	55%	5%
	2010	42%	52%	5%
	2009	37%	52%	8%
Board-level engagement on CSR/sustainability	2011	35%	61%	2%
	2010	32%	66%	1%
	2009	41%	54%	2%
Level of staff in CSR/sustainability functions	2011	35%	60%	3%
	2010	33%	62%	3%
	2009	38%	54%	4%

Q: In the next 12 months, what changes, if any, do you anticipate for each of the following with respect to your company's CSR/sustainability programs?

Table does not include "Don't know / no answer."

Respondents mentioned a range of actions (legislation, reports, initiatives) that have taken place over the last 12 months and have made an impact on CSR/sustainability (including Unilever's Sustainable Living Plan; initiatives from Walmart, Greenpeace, and Starbucks; the California Supply Chain Act; and carbon tax legislation).

New legislation/reports/initiatives (various specific mentions)	19%
Human/workers' rights	6%
Financial crisis / financial issues	5%
CSR awareness/engagement (in general)	4%
Adoption of Ruggie framework by UN	4%
New technological solutions	4%
Increased public awareness	3%
Japan earthquake / Fukushima incident	3%
Labor / supply chain issues	3%
Carbon tracking/taxes	2%
Climate change	2%
Delays in / lack of regulation	2%
Integrated reporting	2%
Oil spills / BP spill	2%
Conflict minerals	1%
Other	10%
DK/NA	28%

Q: Over the past 12 months, what has been the most significant development, event, or other news related to CSR/sustainability? (Unprompted)

Respondents identified several issues that they believe would be the most significant developments in CSR/sustainability over the next 12 months.

Broader/greater adoption/focus/integration of CSR/sustainability	8%
Financial crisis	5%
Stakeholder engagement	5%
Supply chain issues	5%
Environmental issues/protection / climate change	4%
Human rights issues	4%
Energy / energy efficiency / renewable energy	3%
Green/environmental/CSR initiatives (various specific mentions)	3%
Rio+20	3%
Technological advances	3%
Transparency	3%
Water issues	3%
Other	12%
DK/NA	26%

Only codes with 3 percent or more are listed.

Q: Over the next 12 months, what do you think will be the most significant development in CSR/sustainability? (Unprompted)

Return on Investment (ROI) of CSR/Sustainability

There has been a significant increase in the proportion of respondents that measure the return on investment of their CSR/sustainability efforts since 2009, with a 9-percentage-point increase.

	2011	2010	2009
Company measures ROI	39%	37%	30%
Company does not measure ROI, but will soon	29%	30%	31%
Company does not measure ROI	32%	33%	39%

Q: Does your company currently measure the ROI for any of its CSR/sustainability efforts?

The top reason why respondents are not measuring ROI is because their companies are not there yet or it is not on their agendas. Three-in-10 respondents do not know why they currently don't measure ROI.

No interest/demand/need / just not monitored / not there yet	27%
Limited or no means/resources/metrics/measurements	18%
Hard to do / measure	10%
Don't know how to / no/little knowledge	4%
Other	10%
DK/NA	30%

Q: Why does your company currently not measure the ROI for any of its CSR/sustainability efforts?

Subsample: those who do not measure ROI (n=158)

Performance and Leadership

As seen last year, nearly nine in 10 respondents (84 percent) remain somewhat or very optimistic that global businesses will embrace sustainability as part of their core strategies and operations in the next five years.

	2011	2010	2009	2008
Very optimistic	22%	19%	26%	11%
Somewhat optimistic	62%	66%	64%	66%
Neither pessimistic nor optimistic	10%	9%	7%	10%
Somewhat pessimistic	5%	5%	3%	12%
Very pessimistic	1%	1%	0%	1%

Q: Please rate your outlook regarding the extent to which global businesses will embrace CSR/sustainability as part of their core strategies and operations in the next five years.

Survey respondents selected the consumer products/retail (52 percent) and agriculture, food, and beverage (34 percent) industries as the most responsible in terms of their sustainability efforts in the past few years. Although many respondents selected their own sector as the one that has acted most responsibly, when these responses were removed, consumer products/retail and agriculture, food, and beverage were still identified as the sectors that have acted most responsibly.

	Including mentions of own industry	Excluding mentions of own industry
Consumer products/retail	52%	36%
Agriculture, food, and beverage	34%	28%
Information and communications technology	23%	18%
Energy/extractives	22%	15%
Transportation/logistics	15%	14%
Pharmaceuticals/biotechnology	11%	8%
Travel/tourism	9%	9%
Heavy manufacturing	4%	4%
Financial services	4%	4%
Media/entertainment	4%	4%

Q: Which of the following industries have acted most responsibly in terms of their CSR/sustainability efforts in past years?

Because respondents were allowed to name two industries, table sums to more than 100 percent.

The integration of sustainability into companies' core business functions is clearly viewed as the most important leadership challenge for business today with regard to CSR/sustainability. The second and third most frequently stated leadership challenges are planning for the long term and convincing investors that sustainability enhances value.

Integration of sustainability into core business functions	62%
Convincing investors that sustainability enhances value	30%
Planning for the long term	30%
Greater transparency	20%
Going beyond regulations	14%
Setting ambitious sustainability targets	14%
Developing enduring partnerships with non-traditional partners	12%
Public advocacy for policies that promote sustainability	10%

Q: In your opinion, which two of the following stand out as the MOST important leadership challenges for businesses today?

Because respondents were allowed to name two challenges, the table sums to more than 100 percent.

More than two thirds of respondents stated that their companies' communications functions (corporate communications and public affairs) were the most engaged in CSR/sustainability. However, fewer than half believe that their companies' R&D, product development, investor relations, and human resources functions are engaged.

Corporate communications	77%
Public affairs	68%
Supply chain	64%
CEO's office	60%
Brand	59%
Operations	59%
Legal	45%
Marketing	42%
Research and development	41%
Product development	40%
Investor relations	38%
Human resources	37%
Finance	18%

Q: Please rate the level of engagement that each of the following functions within your company has with your company's CSR/sustainability function.

*Percentage of respondents who selected **4 or 5** on a 5-point scale where 1 is "not engaged at all with CSR/sustainability" and 5 is "very engaged with CSR/sustainability."*

Climate Change

Energy efficiency remains the most significant focus of organizations' climate change strategies, far outstripping any other issues.

	2011	2010	2009
Energy efficiency	50%	49%	44%
Technological innovation	14%	11%	11%
Improving value-chain performance*	10%	8%	9%
Use of renewable energy	7%	8%	7%
Carbon offsets	6%	7%	5%
Educating customers or the public	5%	8%	11%
Influencing public policy	3%	5%	5%

Q: Which one of the following is the most significant emphasis of your company's [organization's] climate strategy?

**In 2009, wording was "Working with suppliers."*

The largest barriers to addressing climate change continue to be short-term financial pressures/recession and competing strategic priorities, followed by complexity of implementation. A lack of recognition from financial markets shows the biggest change since 2010.

	2011	2010	2009
Short-term financial pressures/recession	49%	44%	46%
Competing strategic priorities	45%	44%	49%
Complexity of implementation	43%	41%	44%
Lack of recognition from financial markets	36%	30%	30%
Uncertain/insufficient policy frameworks	35%	38%	40%
Uncertain ROI	34%	37%	33%
Lack of internal expertise	21%	26%	34%
Lack of models / best practice case studies	20%	23%	22%
Lack of senior executive support	19%	19%	19%

Q: Please rate the extent to which each of the following are barriers to your company doing more to address climate change.

Percentage of respondents who selected "a very significant barrier (5)" plus "(4)" on a 5-point scale, where 1 is "not at all a barrier" and 5 is "a very significant barrier."

Demographics

Sector

Business/corporation	85%
Service organization (including consultants, journalists, lawyers)	6%
Non-governmental organization (e.g. environmental, social justice NGOs, etc.)	3%
Government	1%
Media	1%
Academia	1%
Other	2%

Industry

Consumer products/retail	30%
Energy and extractives	15%
Agriculture, food, and beverage	12%
Information and communications technology	12%
Pharmaceuticals/biotechnology	6%
Financial services	4%
Transportation and logistics	4%
Heavy manufacturing	3%
Media and entertainment	3%
Travel and tourism	2%
Other	8%

CSR/sustainability experience

More than 10 years	26%
5 to 10 years	38%
3 to 4 years	19%
1 to 2 years	15%
No experience in CSR/sustainability	2%

Job title

Vice President or above	15%
Director	28%
Manager or below	52%
Other	6%

Geography

North America	58%
Europe	21%
Other regions	21%

About the Research
The "BSR/GlobeScan State of Sustainable Business Poll 2011" was conducted from September 28 to October 17, 2011, among a sample of 498 professionals from BSR member organizations from around the world (in 2010, 377 respondents were interviewed). The sample includes representation from 68 percent of BSR's member organizations.

About BSR
A leader in corporate responsibility since 1992, BSR works with its global network of more than 250 member companies to develop sustainable business strategies and solutions through consulting, research, and cross-sector collaboration. With six offices in Asia, Europe, and North America, BSR uses its expertise in the environment, human rights, economic development, and governance and accountability to guide global companies toward creating a just and sustainable world. Visit www.bsr.org for more information.

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