The Case for Community: How Caring Creates a Competitive Edge

Law Firms & Corporate Social Responsibility
What is Wright Path Strategies?

A boutique woman-owned sustainable consulting firm specializing in Corporate Social Responsibility
Who am I?

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How would you define Corporate Social Responsibility?
What is part of CSR?

- Philanthropy
- Workplace Diversity
- Environmental Impact
- Employee Volunteerism
- Business Ethics
- Public Relations
- Corporate Governance
- Sustainability
- Safe products
- Sponsorships
- Solving Social Problems
Our definition of CSR

an intentional strategy
and voluntary initiative
on the part of an
organization that
promotes being
a good corporate citizen...

...while thriving in a competitive environment
ABA and Sustainability

In 2010, various groups of the ABA supported the Model Sustainability Policy
Vision: It is in the best interests of our law organization and society as a whole that our organization move along the path to sustainability, that is, the so-called Triple Bottom Line of social, economic and environmental responsibility. To that end, we will strive to achieve the following vision of performance, publicly communicate this commitment, and periodically report our progress and challenges in fulfilling it. To identify practices and programs to help implement this policy, we will give due consideration to the relevant policies, programs and other tools of the ABA and state and local law and governmental organizations, and will publicly cite in our policy below or elsewhere those major initiatives we embrace.

1. Economic success: the wise use of financial resources
   a. Organization’s Economic Prosperity. Our organization will be positioned to survive and prosper economically.
   b. Community’s Economic Prosperity. We will help our community survive and prosper economically through the taxes, salaries, and suppliers we pay, and through our civic and philanthropic efforts.

2. Social responsibility: respect for people
   a. Respect for Employees. We will treat those within each level of our workforce in a respectful way, especially with regard to compensation and benefits; promotion; training; open, constructive dialogue with management; working conditions that are safe and healthy; employment-termination practices; and encouraging wellness and appropriate work-life balance.
   b. Diversity, Fair Hiring Practices. We will promote diversity and use hiring practices for our employees, management board, and suppliers that are fair and responsible and do not discriminate on the basis of factors such as gender, sexual orientation, religion, age, disability, ethnicity or race, that are unrelated to the requirements of the job,
3. Environmental responsibility: respect for life; the wise management and use of natural resources
a. Resource and Energy Conservation. We will conserve our use of natural resources and energy to the extent practicable.
b. Waste and Pollution Prevention and Management. We will reduce to the extent practicable the quantity and degree of hazard of the wastes we generate from our operations, and handle them in a safe, legal, and responsible way to minimize their environmental effects. We will also reduce to the extent practicable the direct and indirect emissions of greenhouse gases and other harmful air pollutants from our operations and travel.
c. Reduction of Supply Chain Impacts. We will work with others in our supply chain to the extent practicable to help reduce adverse environmental impacts and risks associated with our operations and optimize environmental benefits.
Benefits of CSR

Benefits of CSR to Law Firms

- Improved client relationships
- Enhanced relationships within the local community
- Associate recruitment, motivation, and retention
- Learning and innovation
- Stand out from competition
- Enhanced influence in the industry
- Operational efficiency savings
- Risk mitigation
- Media interest
- Enhanced influence in the industry

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3 Pillars of CSR

- **PEOPLE**
  - Philanthropy

- **PLANET**
  - Efficiency

- **PROFIT**
  - Business Strategy
The importance of CSR has increased rapidly.

And it just keeps on growing.
Today, more than **8 in 10** companies in the S&P 500 report on their CSR initiatives. Consequently, some companies are beginning to ask for evidence of robust CSR programs from those up and down their supply chain, including service providers.
Why should my law firm care?

- Reputation Enhancement
- Performance Improvement
- Risk Mitigation
Being associated with Social Responsibility increases the **marketable value** of your services and of your brand...

...this increases your firm’s desirability for **clients** and for **future hires**
Reputation of Lawyers

Lawyers carry a very low reputation for ethical standards – which means that a firm distinguished by social responsibility sets its reputation far above its competition.
Strategic CSR programs increase the level of employee engagement. This translates directly to increased retention and a better work product.
CSR ➔ engaged workforce ➔ better firm

An organization’s image is the second largest driver of employee engagement.

- Firms with an engaged workforce...
  - ...have up to 65% less turnover
  - ...have 22% higher profitability
  - ...have a more than doubled success rate
  - ...have 147% higher Earnings per Share (EPS) than competitors
  - ...have 21% higher productivity
  - ...have 37% less absenteeism
Risk Mitigation

Pursuing Corporate Responsibility means proactively addressing potential risk factors before they have a chance of becoming problems.
Can this actually affect a firm’s bottom line?

2. MIT Sloan; Boston Consulting Group. “Investing for a Sustainable Future.”
   http://sloanreview.mit.edu/projects/investing-for-a-sustainable-future/
3. Cone Communications; Ebiquity. “2015 Global CSR Study.”
   http://www.arabesque.com/index.php?7_down=51e2de00a30f88872897824d3e211b11
5. FS Insight. “Better CSR = Lower Cost of Equity Capital.”
   http://fsinsight.org/insights/detail/better-csr-equals-lower-cost-of-equity-capital
   https://hbr.org/2015/01/the-truth-about-csr
9. PWC. “Millennials at Work: Reshaping the Workplace.”
How do you create CSR with strategy?

Assess  Implement
Focus    Measure
Align    Communicate
Create    Improve

(you just take the Wright Path)
Assess
Focus
Align
Create
Implement
Measure
Communicate
Improve
Law Firms & CSR

Levenfeld Pearlstein

Baker & McKenzie

Bean Kinney

Law Rocks
Law Firms as B Corps?
Is CSR Expensive?

1. Have a Competition among Employees to Champion Causes (and then share their stories on a “Social Impact Blog”)
2. Firm Wide Volunteer Day (MLK is a National Day of Service. Could include families)
3. Host a Donation Drive for an organization aligned with mission
4. Pro Bono Skills based Volunteering – Compass/Taproot (Test and Learn Opportunities for all)
5. Encourage Board Service (Provide Training)
6. CrowdFunding for a Cause aligned with mission
7. Host a Fitness Challenge
8. Provide Time Off or Flex Time for Individual Volunteering
9. Dress for a Cause (ex. Lee Denim Day)
10. Earth Day Challenge (among employees or groups within firm)
Set yourself above your peers

Business for Good

is Good for Business
Questions? Discussion?
THANK YOU FOR YOUR PARTICIPATION

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