

Corporate Social Responsibility: The Case for Collaboration in New York City

DECEMBER 2018



PARTNERSHIP
for New York City

FOREWORD

NEW YORK CITY'S STRONG RECOVERY from the financial crisis has benefited many New Yorkers. The city's poverty rate has fallen back below pre-crisis levels, median income is rising, employment is at a historic high. Nonetheless, a close look at the data reveals a troubling trend: in New York City, people's economic opportunities continue to be strongly influenced by their race, gender and parents' income.

Members of the Partnership for New York City are already devoting significant resources to addressing this issue, showing their dedication to strengthening the local community and to ensuring that business success benefits society. Employees are also placing increasing value on businesses' commitments to society: 76 percent of millennials report considering a company's social and environmental contributions when deciding where to work.

There is increasing recognition in the corporate community, however, that the scale needed to move the needle on some of the most entrenched drivers of inequity is beyond what any single company can achieve. By bringing together member companies committed to addressing these drivers, the Partnership hopes to facilitate collaborative action that can scale model initiatives and have a greater impact on society.

The following document, produced with the help of Oliver Wyman, identifies areas where Partnership members can work together to expand educational and economic opportunities for all New York City residents. The Partnership will be hosting working groups in early 2019, during which your input will play a crucial role in shaping future collaborative initiatives across the Partnership membership. We look forward to speaking then.

Ajay Banga & Michael Corbat
Co-Chairs, Partnership for New York City

Kathryn Wylde
President & CEO, Partnership for New York City

SURVEY HIGHLIGHTS

Partnership members invest in corporate social responsibility (CSR) programs to make a meaningful impact on the communities in which they operate and in which their employees live.

RESPONDENT PROFILE

142

member firms have participated in our survey (46% of members).

11

major industries are represented.

73%

of respondents have a formal CSR program.

CSR AT A GLANCE

Investment

\$430M

was invested into CSR in New York City by 99 members in 2017.

79%

of respondents report that their CSR investment will increase (37%) or stay the same (42%) next year.

87%

of respondents track their CSR investment.

Volunteering

1.13 million

volunteer hours were completed by New York City employees of 78 members in 2017.

60%

of respondents match employees' charitable donations.

49%

of respondents offer employees paid time off to volunteer.

Collaboration

82%

of companies express an interest in collaborating with other members to achieve CSR goals.

54%

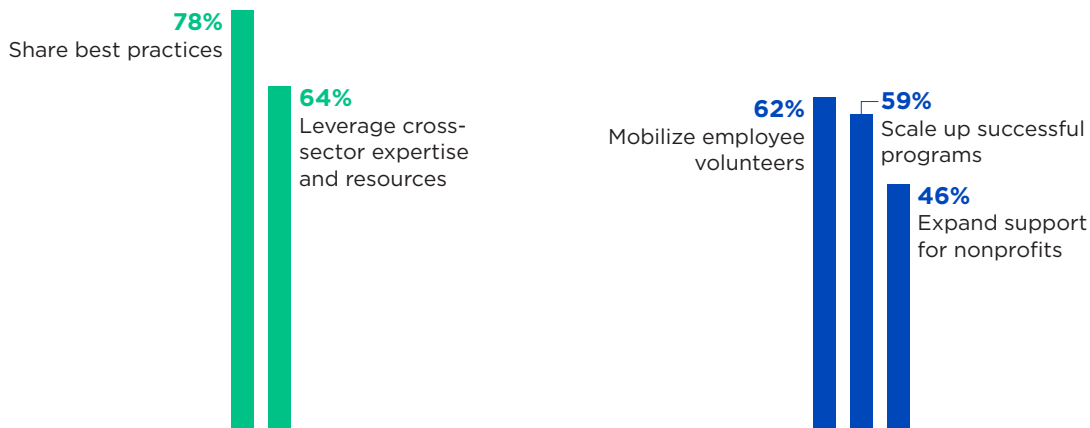
of companies do not have any concerns about collaboration.

16%

of companies cite logistical burden as a collaboration concern versus 4% who cite brand dilution.

Companies express significant interest in collaborating to improve their CSR programs.

SURVEY INSIGHTS: TOP REASONS FOR COLLABORATION



PROPOSAL FOR COLLABORATION

NYC CSR Roundtable

The Partnership will provide a forum for business and CSR leaders in New York City to develop best practices and coordinate investment in CSR priorities.

↓
Responding to current events, e.g., immigration, natural disasters

↓
Aligning CSR activities with business priorities

↓
Developing consensus around impact metrics and success

↓
Partnering with government

↓
Increasing employee engagement to improve satisfaction, retention

Partnership members are interested in cross-sector collaboration and collective action to move the needle in New York City around shared CSR priorities.

SURVEY INSIGHTS: TOP CSR PRIORITY AREAS

The vast majority of members' CSR programs focus on the following priorities:



Common theme: Access to Opportunity

PROPOSAL FOR COLLABORATION

Cross-Industry CSR Initiatives: Access to Opportunity

The Partnership will support cross-industry CSR initiatives in the following areas to improve access to opportunity in New York City, leveraging its unique position as a liaison between members and government.

↓
Equipping every New York City student with the foundational skills needed to succeed later in life

↓
Diversifying the talent pool and helping nontraditional candidates be prepared for jobs in today's economy

↓
Fostering innovation through entrepreneurship among underrepresented groups

1 Foundational Skills

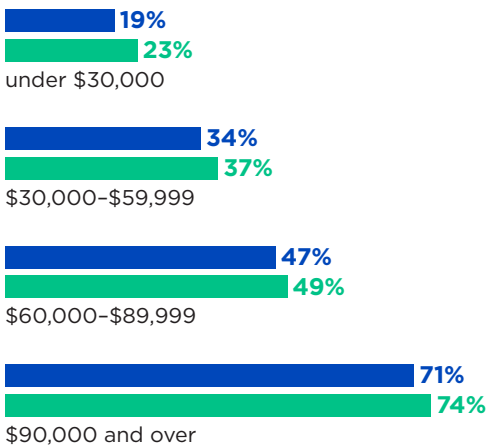
Equipping every New York City student with the foundational skills needed to succeed later in life.

The Issue

Gaps in basic academic proficiencies by household income begin in elementary school, when students living in lower-income neighborhoods fall behind their wealthier peers, with significant impacts on future outcomes.

Gaps in basic academic proficiencies in New York City, by household income

- Math
- English language arts



Impact of early-skills gaps on high school graduation, long-term employment and earnings

87%

of students who fail a math class in sixth grade fail to graduate high school on time.

25%

New Yorkers without a high school degree are 25% more likely to be unemployed than those with just a high school diploma.

2/3

New Yorkers without a high school degree earn, on average, approximately two-thirds of what they would with a high school diploma.

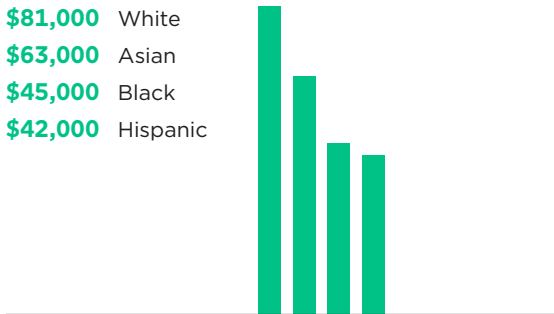
② Workforce Readiness

Diversifying the talent pool and helping nontraditional candidates be prepared for jobs in today’s economy.

The Issue

Race and family income have a major impact on economic mobility and future earnings. In particular, black and Hispanic students are less prepared to pursue careers in high-paying fields such as STEM than white or Asian students.

Median household income in New York City, by race and ethnicity

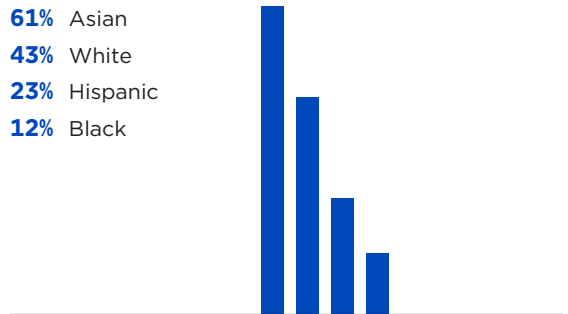


Barriers to economic mobility in New York City

88th

Manhattan and the Bronx rank 88th and 90th out of the 100 largest U.S. counties in upward mobility for the children of low-income parents.

Differences in STEM proficiency in New York, by race and ethnicity



Importance of STEM to future career success

20,000+

There are projected to be over 20,000 new job openings each year in STEM occupations in New York City through 2028.

55%

Mean annual wages for STEM jobs in New York City are 55% higher than the city mean annual wage.

Opportunity for Collaboration

3 Entrepreneurship

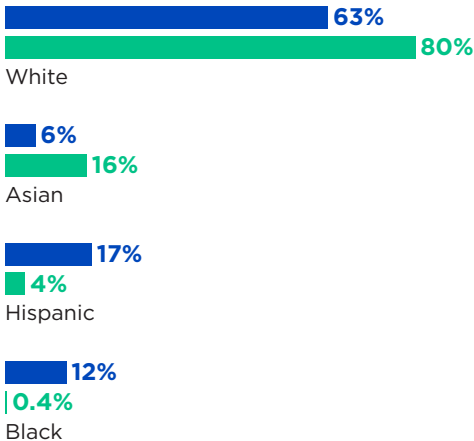
Fostering innovation through entrepreneurship among underrepresented groups.

The Issue

Success requires more than an innovative idea; it also requires access to funding, committed mentors and strong networks. Black and Hispanic founders are underrepresented in the innovation economy and receive very little venture capital funding.

U.S. labor force and VC-backed entrepreneurs, by race and ethnicity

- Labor force
- VC-backed entrepreneurs



Opportunities to improve diversity

2%

Only 2% of investment partners or equivalent in the venture capital industry are black or Hispanic.

2.2x

New York City tech companies that receive mentorship, inspiration, investment or employees from a top-performing company are more than twice as likely to become a top performer themselves.

The Partnership will amplify members' CSR efforts.

Identify

Identify member CSR initiatives relating to the Partnership's focus areas of **foundational skills, workforce readiness** and **entrepreneurship**.

Highlight

Highlight initiatives in communications with external stakeholders, with a focus on demonstrating the impact of CSR efforts to government officials and identifying opportunities for public-private partnerships.



**General
Public**



**Government
Officials**



Media

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Partnership for New York City

The Partnership for New York City represents the city's business leaders and largest private sector employers. The Partnership works with government, labor and the nonprofit sector to promote economic growth and maintain the city's prominence as a global center of commerce and innovation.

