Social Responsibility Initiatives Taking Hold In For-Profit And Nonprofit Organizations, PNC Survey Shows

– Social Responsibility is a priority for 92% of corporate and nonprofit executives and 94% say SR initiatives are here to stay.
– Top initiatives include environmental sustainability; diversity, equity and inclusion; employee benefits; and ethical business practices.
– Most executives (91%) are optimistic that the growth in ESG investing can have a positive influence on corporate behavior.

PITTSBURGH, March 22, 2022 /PRNewswire/ -- Social responsibility (SR) is a high priority for executives across for-profit companies and nonprofit organizations, and serving the social good is perceived as becoming more important – even essential – for most organizations, according to a new survey by PNC Institutional Asset Management.

"SR initiatives have proliferated in recent years and studies have shown that investors and consumers increasingly are seeking out socially responsible companies that align with their values," said Alistair Jessiman, head of PNC Institutional Asset Management. "Organizations recognize that not only is this good business and critical for continued growth, but it is also the right thing to do."

The inaugural edition of the PNC SR survey finds, among other things, that the vast majority of executives (92%) rank corporate social responsibility as a priority for their organization with two-thirds (65%) saying that it is a "very high priority." The survey reveals that both nonprofit and corporate leaders expect to see more SR-related policies in the workplace, with 94% of respondents predicting that social responsibility programs are here to stay. Most executives (91%) also believe that companies and nonprofits can make a real impact on issues like climate change and diversity, equity and inclusion through their social responsibility programs and initiatives.

When asked what is driving their organization's commitment to social responsibility overall, executives cited a number of internal and external forces, including direction from senior leadership (92%) and their board of directors (89%), alignment with their organization's mission (90%), interest from their clients (91%) and the community (90%), and marketplace competition (86%).

"Our survey definitively shows that the importance of SR and Environmental, Social and Governance (ESG) is here to stay and that both for-profit and nonprofit organizations increasingly are looking for opportunities to demonstrate their values and commitments in this space. This also means they are seeking guidance in an appropriate manner to implement these programs," Jessiman said.

Top SR Initiatives Revealed

Three in four organizations (73%) currently have an environmental sustainability related program or initiative. However, the majority of those organizations also acknowledge that their efforts have launched relatively recently – within the past three years. An additional 18% have not yet implemented an environmental sustainability program but are in the planning process. For-profit organizations are more likely to have a sustainability initiative (79%) than are nonprofits (67%).

Diversity, Equity and Inclusion (DEI) also ranked as a top priority for many executives. Two in three organizations (68%) currently have a program or initiative related to DEI. An additional 26% don't currently have one but are in the planning process. For-profit organizations are more likely to have a DEI initiative (76%) than are nonprofits (59%). Regardless, DEI initiatives are most likely geared toward the organization's workforce in general (75%) and their leadership and management (68%), though half also are targeting their vendor and supplier base (52%), and 40% are prioritizing the diversity of their board.

Also ranking among top responses was an emphasis on employee benefits, specifically financial education programs. While nearly all of those executives surveyed say that their organization is committed to helping employees save for

retirement (99%), slightly more than half of respondents (55%) say that fewer than 50% of their employees take advantage of their financial education programs.

Growing Importance in ESG Investing

In addition, executives also are taking an increasing interest in environmental, social and governance (ESG) investing. While four in 10 (40%) say that their company or organization currently does at least some investing through an ESG lens, nearly as many (39%) aren't currently engaging in ESG investing but are in the planning process. Those who do currently implement an ESG investing strategy say that the most important factors in choosing an investment advisor are having dedicated ESG strategies (70%), dedicated impact investing strategies (68%) and access to ESG analytics and reporting (68%).

Further, most executives are optimistic that the growth in ESG investing can have a positive influence on corporate behavior (91%). When it comes to implementing ESG investment strategy, these executives say it is just as important to avoid investments that don't align with your values (86%) as it is to proactively invest in companies that do align with your values (90%).

"Our survey makes it clear that both for-profit and nonprofit organizations are seeing ESG investing as increasingly important, but they also recognize that it is critical that these investment opportunities are fully vetted and indeed aligned with their own values," Jessiman said.

For more information on the research findings including trends in social responsibility, ESG investing, retirement plans and financial education, and decision-making, click here.

PNC Institutional Asset Management is a member of The PNC Financial Services Group, Inc. (NYSE: PNC) PNC is one of the largest diversified financial services institutions in the United States, organized around its customers and communities for strong relationships and local delivery of retail and business banking including a full range of lending products; specialized services for corporations and government entities, including corporate banking, real estate finance and asset-based lending; wealth management and asset management. For information about PNC, visit www.pnc.com.

Methodology
An online survey was conducted in December 2021 by Willow Research among a national sample of C-suite and financial executives in organizations with annual revenues of $25 million or more. Respondents included CEOs, presidents, executive directors, COOs as well as high-level financial titles/roles including CFOs, CIOs, VPs/Directors of Finance. Most of these organizations (95%) have annual revenues of $50 million or more. A total of 240 interviews were conducted, divided evenly between for-profit and nonprofit organizations. Respondents represent a broad range of industries, including healthcare, higher education, insurance, financial services, technology, construction, and human services.

DISCLAIMER: This report was prepared for general information purposes only and is not intended as specific advice or recommendations. Any reliance upon this information is solely and exclusively at your own risk. NOTE: The sum of percentages may not add to the total due to rounding.

CONTACT:
Alan Aldinger
(412) 370-3887
alan.aldinger@pnc.com

SOURCE The PNC Financial Services Group, Inc.

---

https://pnc.mediaroom.com/2022-03-22-SOCIAL-RESPONSIBILITY-INITIATIVES-TAKING-HOLD-IN-FOR-PROFIT-AND-NONPROFIT-ORGANIZATIONS,-PNC-SURVEY-SHOWS