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It is entitled: Corporate Social Responsibility in the City: A Case Study of Cincinnati, Ohio

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Corporate Social Responsibility in the City: A Case Study of Cincinnati, Ohio

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ABSTRACT

Over the past thirty years many urban areas of the United States have seen significant declines caused by disinvestment related to growth outside of the regional core. While many businesses have followed the population shift to the suburbs, many major corporations remain in the center city. These corporations have the assets and influence to have a significant impact on the redevelopment of these declining urban areas.

A concurrent trend during the past thirty years has been a recognition of the responsibility of companies to address societal ills. This ideology is commonly referred to as corporate social responsibility (CSR). CSR transforms a corporation’s ability to improve its city into a responsibility to take an active role in that change.

To understand the application of CSR in a depressed urban area, the city of Cincinnati was studied. Despite a long and significant population loss in the city, many of the largest companies in the region maintain a strong presence in the city’s urban core. Nine Fortune 1000 companies are headquartered in downtown Cincinnati as well as many of the area’s largest employers. Fifteen of Cincinnati’s largest corporations were studied to determine how corporations are fulfilling their community involvement expectations. Furthermore, the study analyzes how these efforts compare with contemporary urban best practices for community involvement. The study concludes by identifying Cincinnati’s best practices, which serve as models for other companies locally and nationally.
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Introduction

Over the past thirty years many urban areas of the United States have seen significant declines caused by disinvestment related to growth outside of the regional core. While many businesses have followed the population shift to the suburbs, many major corporations remain in the center city. These corporations have the assets and influence to have a significant impact on the redevelopment of these declining urban areas.

A concurrent trend during the past thirty years has been a recognition of the responsibility of companies to address societal ills. This ideology is commonly referred to as corporate social responsibility (CSR). CSR transforms a corporation’s ability to improve its city into a responsibility to take an active role in that change.

To understand the application of CSR in a depressed urban area, the city of Cincinnati will be studied. Cincinnati’s population declined by over 50,000 residents between 1980 and 2000, a trend that also saw many businesses relocate to the suburbs (U.S. Census Bureau 2008). Despite this exodus, many of the largest companies in the region maintain a presence in the city. Six of the city’s nine Fortune 500 companies are located in downtown Cincinnati along with many of the area’s largest employers. With such a high density of major corporations in Cincinnati it will serve as an excellent case study to better understand the role these companies play in urban redevelopment. The city of Cincinnati will be studied to determine what major corporations are currently doing to encourage redevelopment of their community using CSR as a framework for the expected contribution of these companies.
The problem

Rationale, significance, or need for the study

Many urban areas have significant socioeconomic problems caused by disinvestment as metropolitan areas have grown outward. Large corporations that still remain in and near these distressed areas are able to create a positive change in these communities. The responsibility of a business to its community is widely accepted in the business world as Corporate Social Responsibility (CSR). CSR issues are amplified in urban areas with an eroding tax base and higher demand for services. Cincinnati, with both a depressed urban area and large number of major corporations within that area, is an important case study of urban CSR in practice.

Theoretical framework for the proposed study

This study is primarily an application of Corporate Social Responsibility. CSR provides perhaps the strongest argument for the responsibility of private businesses to their community. The strength of CSR lies in its widespread acceptance by the business community. The Community Involvement subsection of the Social Venture Network’s Standards of Corporate Social Responsibility provides guidelines for a company’s actions in its community. This will form the foundation of the expected community involvement of companies. This framework will be compared to several companies’ CSR policies and actions in an effort to understand how well CSR is being implemented in Cincinnati. From this analysis Cincinnati’s best practices will be identified.

Statement of the problem

Using the widely accepted framework of Corporate Social Responsibility (CSR), large companies in Cincinnati will be studied to determine their involvement in the city of Cincinnati.
This study uses a CSR analysis tool developed by the Social Venture Network, specifically the subset on Community Involvement. Community involvement is the topical area within CSR which best addresses place-based concerns, like those found in urban areas. This study applies a CSR framework explicitly to urban matters and will serve as an assessment of the tool in an urban setting. Furthermore, this study will compare local efforts to national urban best practices to better understand where companies are not just participating but leading.

**Elements, hypotheses, theories, or research questions to be investigated**

- Are large companies in Cincinnati addressing Social Venture Network’s community involvement expectations?
- Do Cincinnati companies’ Corporate Social Responsibility efforts meet contemporary urban best practices?
- What are the best practices for large companies in Cincinnati with respect to urban CSR?

**Delimitation and limitations of the study**

The major limitation in this study is the cooperativeness of the companies involved. While every company has some level of information on CSR available, the readily available information is varied and companies may not be willing to cooperate with additional inquiries. For this reason the focus of this study may shift as information is found to be obtainable or not. It may be possible to gain a good picture of company CSR activities even if companies are not willing to provide the information. Company websites often tout company programs and efforts. It is to their benefit after all to show the community that they are involved. Local newspapers, particularly the local business journal, The Cincinnati Business Journal, will be reviewed to find
additional information about company CSR activities. This paper considers itself the authority on Cincinnati business news and resources and should provide substantial information on the topic. Even interviews and a thorough review of relevant resources may result in an incomplete picture of company activities, but this procedure provides ample opportunity for each company to provide its story.

This study has two spatial delimitations. The first is the area from which to draw the largest companies, the second is the area being served by CSR measures. While an argument can be made that all companies in the region should be invested in the regional base of Cincinnati, the argument is even stronger for companies located within the urban core. Therefore, the largest companies based in the Central Business District (CBD) will be studied. This study is interested in CSR service in the city of Cincinnati. The city of Cincinnati has many of the problems found in urban areas throughout the country, deteriorating tax base, aging infrastructure and an increased need for social services.

Other delimitations address the size and extent of the research. This study is most interested in the current CSR programs being implemented by companies. Therefore, only the programs and policies in place since 2003 will be reviewed. Finally, this study will focus on fifteen companies. This will provide a large enough number of companies to make it possible for some comparisons and comprehensive conclusions to be drawn, while maintaining a reasonable number of companies to contact from which to obtain information.
Definition of terms

Large/Major Corporation

Large or major corporations can be defined several ways: The largest employers– either in the region, city or downtown– or the companies with the largest revenue based in the city or region. Employment seems to be a good indicator of expected involvement because it correlates to a significant impact in the location relative to hirings, firings and quality of life for its employees. In the Cincinnati area this category of companies includes Delta Airlines, which is based in Atlanta but operates a hub in the region, and GE Aviation which is a subsidiary of General Electric based in Fairfield, Connecticut. A strong case can be made for the effects these companies have on the local community.

This definition is not perfect however. Regionally, Wal-Mart is one of the largest employers, but its operations in the region are not any more significant than in many cities across the country. The companies on the list with a regional base in downtown would presumably have the most responsibility to the surrounding urban core of the city. It is unavoidable that these companies’ community is the city, while companies in more outlying parts of the greater Cincinnati region may view their community differently and direct their programs accordingly.

Revenue is a challenging definition of major corporations because it does not necessarily relate to connection with the community. An example of this is Chiquita Brands International. The company has only 3% of its employees in Cincinnati, where it is headquartered, and therefore directs very little of its CSR efforts there. Despite the lack of employees, Chiquita chose to operate its headquarters in the city. This may increase its recognition and knowledge of local problems and solutions.
Therefore, this study polled the ten largest downtown employers and the nine downtown companies on the Fortune 1000 list. Due to overlap in these lists, this includes fifteen companies. If information cannot be obtained from at least eight of these companies, the list would have been expanded to include regional companies with a major local presence such as a headquarters or hub.

Also of note is which companies are included and excluded from these company lists. Government, healthcare, and religious institutions are all valuable community assets but have a mission to serve their community and therefore do not fall under the traditional limits of CSR.

The 15 companies included in this study are:

1. American Financial#
2. Chiquita#
3. Cincinnati Bell*
4. Convergys#
5. Delta*
6. Duke*
7. E.W. Scripps#
8. Fifth Third*#
9. Kroger*#
10. Macy’s**
11. National City*
12. P&G*#
13. Staffmark*
14. U.S. Bank*
15. Western and Southern#

* = Top 10 downtown employer (Business Courier of Cincinnati 2006)
# = Fortune 1000 Company (Business Courier of Cincinnati 2008)

**Corporate Social Responsibility**

Corporate social responsibility (CSR), also sometimes called corporate citizenship or similar terms, is a necessarily challenging term since it is has such broad applications. For this study, CSR is generally understood as “a concept whereby companies integrate social and environmental concerns in their business operation and in their interaction with stakeholders on a voluntary basis” (Sparkes 2006, 39). The term has been defined and evaluated much further (see Review of the Literature), but this definition explains what is at the heart of CSR.
Review of the literature

Evolution of Corporate Social Responsibility Theory

Forming a Lexicon

Since the creation of corporations at the dawn of the industrial revolution, there are examples of companies working to address social ills in their communities (See Corporate Social Responsibility in Practice). Despite this fact, a formal ideology of the obligation of businesses to address these issues did not take root within the business community until 1953 when Howard Bowen wrote the landmark book *Social Responsibilities of the Businessman*. In this book Bowen coined the term Corporate Social Responsibility (CSR) and described it as “the obligation of business to pursue those policies, to make those decisions, or to follow those lines of action which are desirable in terms of the objectives and values of our society.” This definition gave the ideology a rallying phrase and unleashed a new discussion in both academia and the business community about what role corporations should be taking.

The wave of literature that followed Bowen’s book led to many more definitions and evaluations of the true nature of CSR (Davis 1960, Eels and Walton 1961, Friedman 1962, McGuire 1963, Backman 1975). Building upon these early definitions, Archie Carroll, a leading CSR author, set forth a four-part model of CSR that is widely accepted today. This model is based on the responsibilities of corporations in regard to society’s opinions of the action. From most to least required, the four parts are economic, legal, ethical and discretionary responsibilities. Carroll’s model, often represented as a pyramid, recognizes that, first and foremost, corporations are economic entities and as such are expected to make money. The company must however operate within all legal frameworks, the second level of the model. It is
then expected that corporations will act in an ethical manner and, finally, it is hoped that businesses will take a role in voluntary philanthropic measures, the third and fourth segments of the Carroll model (Carroll 1979).

**A More Complete Perspective**

Carroll’s model can be applied in a very rigid or loose way. Viewed through a rigid framework, the model is applied with respect to shareholders, the owners of the company. In this application, the people affected by the 4 segments of the model are the shareholders and decisions must be made according to what is best for these individuals. Carroll’s model has been expanded, however, under the stakeholder model.

Introduced by Freeman in 1984, the stakeholder model recognizes that businesses affect many more people than their shareholders. Therefore, corporations must consider anyone affected by the organization’s operations (Freeman 1984). For example, if a major employer were to close down in a small town, it might affect other business owners and the government because fewer dollars would be spent and fewer taxes would be collected. Thus, the shareholder model includes employees, customers, suppliers, the local community, and more. This model creates a fundamental argument with the opinions of Milton Friedman, the oft-quoted opponent of CSR, who in 1970 wrote: “The social responsibility of business is to increase its profits.”

There is also research which shows unexpected benefits to the stakeholder model. An evaluation of modern businesses shows that shareholders often buy into companies for short-term speculative reasons (Goshal 2004). These results call into question the philosophy of running a company exclusively for the benefit of shareholders who, in seeking profits in the short term, may have little regard for long-term health and productivity of the company.
Using the stakeholder model, combined with the Carroll’s four-part model, gives a much fuller understanding of CSR. For example, economic responsibilities include costs for consumers and wages for employees in addition to profits for the stakeholders. While closer to a working definition of CSR, the term has continued to evolve, and has been refined to meet a changing business climate.

**Recent Trends**

By most accounts CSR has become an established part of the business language by the 1990s and the 2000s. During the period prominent business schools developed courses in CSR and literature in the area treats CSR as an existing foundation to be further refined (Carroll 1999). During this time, business terminology shifted from CSR to corporate citizenship. (CSR will continue to be used in this study since it is still widely used and for the sake of continuity.)

Corporate citizenship’s foundations are basically the same as the stakeholder model of CSR. Companies practicing corporate citizenship view themselves as members of the communities where they are located and not only as profit-making entities. As community members, they believe it is important for them to consider how their actions affect those around them and to assist in the well-being of the community.

Hess identifies three driving factors behind recent CSR initiatives: The Competitive Advantage Factor, The New Moral Marketplace Factor, and the Comparative Advantage Factor (Hess et. al. 2002). The Competitive Advantage Factor describes using CSR to improve the company’s reputation within the community– an effort to stand out in an ever growing marketplace. Similarly, the New Moral Marketplace recognizes that consumers expect companies to make moral decisions. Not acting morally can actually hurt the company’s bottom line through boycotts, consumers choosing other products and employees seeking to work for
morally upstanding companies. The Comparative Advantage Factor describes the efficiencies and expertise of certain companies to address certain social problems. An example of this would be a power company providing solar cells to remote areas; the company knows how to make and install this product resulting in a cheaper, more successful project than if a nonprofit or government entity attempted the same task.

These ideas point to an important trend in CSR literature. CSR has moved from philanthropic giving to integration into the company’s business lines. Businesses have realized that a healthy city is good business, and recognize that the innovators in the field of CSR will be able to tap into new markets, produce better employees and ultimately help their bottom lines.

CSR has been, and will continue to be, a term that is debated and evolving but the heart of the definition remains the same as Bowen’s definition crafted over fifty years ago. Despite the struggle to achieve one technical definition, the business community has embraced the CSR concept. A 2006 survey of 4000 executives around the world by McKinsey Quarterly showed that 84% believe they have a larger social responsibility than meeting their obligations to shareholders (Kakabadse 2007, ix). This study does not attempt to prove that CSR needs to exist, but rather understands that it is established and recognized within the business community and, consequently, there is an expectation that businesses live up to its standards.

**Corporate Social Responsibility in Practice**

**A Legacy of Corporate Community Involvement**

The idea of corporations working to address social concerns is hardly a new concept. With the rise of corporations during the industrial revolution came the rise of the industrialist turned philanthropist. These names are still widely known today and still grace public buildings
around the country; industrialists like Rockefeller and Carnegie left a lasting legacy of corporate community involvement.

Andrew Carnegie’s story is a good example of early industrial American philanthropy. As a boy, the impoverished Carnegie was permitted to use a well-to-do community member’s library once a week. Carnegie credited the time spent in the library with opening his mind to imagination and education. When he rose to become the legendary steel tycoon, he remembered his days spent in the library. His resulting gifts led to the construction of over 1600 public libraries in the United States and many more around the world (Van Slyck 1998).

Some industrialists delved even further into the social fabric of their communities. During the company town movement, businessmen like George Pullman built entire cities for their workers. The town of Pullman, IL was built outside the crowded metropolis of Chicago. Pullman, founder of the Pullman Palace Car Company, decided that a new town was needed to “elevate his workers’ lives while ensuring a stable and problem-free workforce for himself” (Crawford 1993, 37). Pullman was an entirely new community with shops, houses, schools, civic clubs, parks and a large church. Mr. Pullman also provided a company doctor and accident insurance (Crawford 1993). Pullman’s attempt at an elevated community ultimately failed under the weight of his paternalism, but no one could argue about the improved living conditions his town provided his employees.

These efforts addressed some of the most pressing social problems of their time. While some issues like housing and education have remained priorities for businesses’ CSR practice, the field has expanded greatly. Each generation has its own social issues and concerns and CSR has proven to be effective at navigating these turbulent waters.
Evolving concerns from early CSR efforts can be seen in the focus of CSR in the 1970s and 1980s. Concerns over product safety and worker housing were less pressing concerns for companies during this era and were replaced by concerns for environmental issues, employment equality, information disclosure, ethical advertising and more (Vyakarnam 1992). These reflect the social trends of the time, such as the development of the environmental protection movement and an increase in women and minorities in the workforce.

Following these trends into the 1980s shows how quickly they evolved to reflect societal concerns. While environmental and ethical issues were still focal points, the AIDS epidemic in the 1980s was accompanied by CSR efforts to educate the public and research the disease (Vyakarnam 1992). Also, the political shift to a conservative government and reduced federal funding in the early 1980s created a need for governments to begin working more closely with businesses to address social problems. These public-private partnerships brought small amounts of leveraged funds to create economic growth through small business growth and company expansion. “Cities that do not have corporate headquarters or a wealthy foundation are in for a long siege of public poverty” (Herbers 1982).

These examples demonstrate how companies’ CSR efforts evolved to meet the demands of the time. Likewise, our contemporary society has its own unique demands to address while also dealing with many of the concerns of the past. The environment, housing, and education are still important concerns but globalization and a changing political culture have changed the dialogue of how companies must respond to the problems in communities in which they are located.
**Contemporary urban best practices**

Following the evolution of CSR literature, contemporary best practices show that businesses have moved beyond the traditional definition of CSR, creating a more holistic view of social problems in the inner city. A study of best practices led to 4 key practices of top CSR companies. These companies are incorporating CSR efforts into their business strategy, tailoring their goods and services to the unique challenges of the inner city, taking the lead to educate and train the local workforce, and creating partnerships to bring together experts to create greater solutions than any could do alone.

**Incorporate CSR Efforts Into Company Business Strategy**

CSR is no longer just an office in the corporation’s head office. The top CSR companies have integrated their CSR efforts into their business plans and throughout every part of the company. This allows the company not only to use its financial power to create change in its community, but also opens new and expands underutilized markets.

An example of this effort is Franklin Bank in Minneapolis. Customers of Franklin Bank can choose that their deposits go into the bank’s Socially Responsible Deposit Fund. This fund is used to finance small business loans, affordable housing and other community involvement efforts (Cochero 2008). This fund allows Franklin Bank and its customers to “give back” to the community by shifting investments to community-based projects while still creating a return to the bank.

Another opportunity for companies to integrate CSR into the business framework is through suppliers. Most companies have a supplier diversity program but some raise the bar even higher by establishing networks within the local community. In urban areas these often encompass minority owned businesses and typically offer local employment opportunities.
According to Michael Porter, these mutually beneficial relationships should be developed by every major employer (Porter 1995, 66).

Ultimately, what’s good for the community is often good for the business. Healthier, happier, wealthier citizens have more money to spend on local companies. Companies with a reputation as an important community member are positioned to benefit from this economic development.

**Tailored Goods and Services**

Successful inner city companies have learned that the key to success in this often overlooked market is tailored services. While traditional business models may consider many inner city communities as unprofitable, an understanding of local cultural attitudes and habits may reveal a profitable market in the inner city. Opening new markets is a benefit to both businesses, which profit from a market niche, and citizens, who have increased access to goods and services. Since the goods provided are designed to meet residents’ specific needs and culture, social and cultural imbalances are addressed.

Finast Supermarkets in Cleveland provides an excellent example of tailoring goods and services. Finast realized that spending patterns among ethnic groups in urban Cleveland were different than those in traditional suburban locations. To get a better understanding of these demands Finast went beyond standard market analyses by surveying the local community and hiring management from within the neighborhoods. In Finast’s case, it was found that the more popular food items in these inner city stores, things like fresh fruit and vegetables, had higher profit margins than the items acquired through purchasing patterns at more traditional suburban stores. This made the urban stores profitability comparable to suburban stores (Bollier 1996, 70-72).
Finast also modified its services to improve its urban locations. Finast soon realized that checking out took longer at its urban locations because of multiple payment types (food stamps, credit, cash, etc) and customers not being able to afford their groceries. Additionally there was an influx of customers (and wait times) at specific times each month when social service funds were received. To address these issues the company trained employees to handle payments better, placed calculators on the carts to assist customers and brought in additional staff at peak times of the month. These measures had little or no net cost to the company since the cost to implement the programs was offset by the saving from increased efficiency and not needing to restock as often (Bollier 1996, 75-76).

Another example of specialized services is American Savings Bank (ASB). ASB has taken several steps to create specialized services in the inner city of East Los Angeles. ASB hires from the local community, ensuring not only a connection with the neighborhood but also the ability to provide services in Spanish and English, an important consideration in this ethnically diverse neighborhood (Bollier 1996, 59).

ASB took much more radical changes in its underwriting practices. ASB realized that many residents would not qualify for loans under typical banking standards. The question became not how to give these people loans, but was something being overlooked in the process. ASB found many unique characteristics that impeded inner city residents from qualifying for traditional loans. Residents were distrustful of lending institutions, had cash incomes, worked several part-time jobs and especially for immigrants, had little to no credit history. ASB adjusted its underwriting standards to account for many of these differences and opened up the East LA market. Additionally, the complexity of lending in these communities is reflected in the amount of time and effort it takes to put together these loans. As a response to the additional effort, ASB
created enhanced compensation for lenders serving inner-city communities. This created incentives for lenders to provide these services to customers who were typically viewed as unattractive (Bollier 1996, 61-64).

These two examples show how understanding the community you serve and creating customized services bring benefits not only to the community but also to the company. These two frameworks seem useful to the grocery and banking industries, but more importantly they show the thought process companies must engage in to better serve inner cities and, in turn, themselves.

**Education and Training**

Investing in education has long been part of companies’ CSR efforts. Traditional methods of philanthropic giving to build a library or fund a new university building have been replaced in leading companies by workforce training and collaborative efforts to ensure improvements in education.

The IBM Reinventing Education program has been recognized as a leader in business assistance in education reform (Googins 2002). Keys to the program’s success are a long-term commitment, constant feedback and evaluation, and using the company’s skills and resources to improve the education experiment. These components are important in any community, but can make a huge impact in the inner city where poor schools and adults with low education levels are common. These efforts also have been beneficial to IBM, which has developed several new products from the initiative (Carbone 2001).

One thing that all successful businesses have is leadership—leadership with an expertise and an understanding of business networks. These elements can provide significant benefits to both businesses and nonprofits working in the inner city, which may have the desire but not the
connections and skills to make a change. Providing management support to these companies can help build a stronger local support network for more established companies and open up new jobs in the inner city (Porter 1996).

Businesses in the inner city have realized that there is an untapped labor market outside their doors. Training programs for these potential workers are particularly successful in areas with industry clusters like Boston, where Project ProTech provides internships and classroom education for students entering the health care fields (Porter 1996). The clustering of companies within a common industry is something that can be found in many urban areas and allows the companies to pool their resources to help create a workforce that is able to meet the demands of their industry. This is another example of a community-directed program which can benefit both community and business.

Partnerships

Partnerships are perhaps the most important recent trend in urban CSR. Most of the initiatives addressed above include some type of partnership: Business-Community, Business-Nonprofit, Business-Government, Business-Business, etc. Partnerships have allowed businesses to take better care of their investments while limiting risk to themselves. In a partnership the company uses its strengths—be they monetary, political, expertise, or services—to assist local governments, organizations or startup businesses succeed. The qualitative and logistical support businesses provide in partnerships has been shown to be more valuable than monetary contributions of the company to similar causes (Vidaver-Cohen and Altman 2000).

The National League of Cities (NLC) has recognized the need to reach across sectors to meet the demands faced by increased globalization and reduced government spending. The organization provides action steps for governments looking at partnerships, but many of these
steps apply to businesses in partnerships as well. Among the recommendations by NLC are open communication, clearly defined roles, identifying economic benefits for constituents, careful monitoring and achieving early success (Woodwell et. al. 2006). These steps ensure all members are invested in the program, have a role to play and stay engaged in the team. Rosabeth Kanter provided a similar list for business in the Harvard Business Review in 1999, also drawing attention to how important it is for businesses to have a long-term commitment to and be rooted in the communities.

There are many successful examples of partnerships that come in many shapes and sizes. As has been discussed, the goal is to bring in specific partners fill a specific role to work towards a common goal. A nearby example that was singled out by the NLC is the Workforce Development Collaboration in Columbus, OH. A partnership of local businesses, the city, colleges and organizations created a Workforce Leadership Council to implement a plan to develop education and training standards in the area’s in high demand industries. This plan led to reforms in both the business and education communities to create more jobs for city residents (National League of Cities 2007).

**Corporate Social Responsibility Evaluation**

**Trends**

The development of formalized CSR created a need to evaluate corporations based on their CSR efforts. CSR standards, like CSR definitions, are varied. The ability for CSR to be adopted is important since it is applied in a wide variety of industries in a wide variety of locations. For a better understanding of CSR evaluation in practice several performance
guidelines were reviewed (See Appendix I). Despite the ambiguity of the term, several trends emerged.

Most evaluation guidelines began internally with topics related to corporate governance, accountability and transparency. This recognized the fact that a business has to be sound internally before it will be able to benefit the community in which it is located. Guidelines also typically extend to environmental concerns in an effort to measure factors such as company consumption and waste. These attributes help a company understand its physical impact on the communities it serves. Additionally, most guidelines also discuss responses to social issues like equity and discrimination. These social attributes recognize that the company’s impact is more than bricks and mortar, but is deeply involved in the lives of the people in its community.

In addition to the overall CSR efforts of corporations several evaluation tools were geared towards global actions of corporations. The Global Sullivan Principles, the United Nations Global Compact, Bench-Marks, Caux Roundtable, and the G3 Guidelines all significantly or completely relate CSR to globalization. Developing countries are often affected by local ethnic and human rights struggles, lack of environmental controls, and corruption. These global guidelines are a call to international companies operating in these areas to use their influence and capital to be agents of change.

**Community Involvement**

No guidelines focused on urban applications of CSR were found. The most applicable section, when available, was the community involvement/relations component. Though CSR is undoubtedly about local communities, the amount of focus given to community issues varied greatly among the evaluation tools. In other cases community issues were spread throughout multiple sections of the report, making it difficult to compile, which no doubt hinders
companies’ ability to properly evaluate their efforts in this area. As mentioned previously, another common trend was an international focus. The communities these guidelines are addressing are very different from the American urban community. This fact makes many of the international evaluation tools inappropriate for application in the developed world.

The Social Venture Network’s Community Involvement section was found to be the most systematic and thorough description of contemporary American community involvement issues. These standards allow for flexibility in answers, while still addressing topics such as giving, training, products/services and leadership in the community. The standards provide a concrete framework for analysis while still providing the flexibility to identify unique programs. It is for this reason that this evaluation tool was selected to frame the analysis of this study. It allows for both traditional and contemporary perspectives to be highlighted, providing an overall view of company activities. While this framework was chosen because of its flexibility, it is important to note that these standards were not developed specifically for the urban context and therefore may not fully address urban issues.

**Critique of the validity of appropriate theory and research literature**

There is no question that CSR is widely accepted as a part of business. It is because of this that it was selected as the foundation for learning about large corporations’ activities towards cities. It should not, however, be considered a perfect theory and may overlook factors like taxes paid to municipalities, which help maintain or renew urban areas. These funds, which certainly have an impact, do not indicate an intentional action by the companies.

The specific The Social Venture Network guidelines were developed with the input of over 200 individuals and organizations, including Ben and Jerry’s Homemade, Salomon Smith Barney, Rockefeller and Company, Kashi Company, Harvard University, Reebok, Stanford
University, The Body Shop, and Underwriters Laboratories. Both the quantity and quality of contributors to these guidelines suggest a consensus on the guidelines. Additionally, this report addresses the issues discussed in CSR theory and follows many of the trends reflected in other CSR evaluation tools. This guideline was selected because of its thorough and unified community involvement section, elements of which may be found in other reports but rarely coalesce as one framework in them. Therefore, the Social Venture Network standards on community involvement most closely aligned to the goals of this study, though they were not developed specifically as an urban guideline.

**Summary of what is known and unknown about CSR**

Perhaps most important, it is known that CSR is real and widely accepted by the business community. It is not something that outsiders yell for but something insiders are aware of and often embrace. Recent literature on CSR has focused on environmental and global issues. This is natural with the ever globalizing nature of companies and the recent growth of the green movement. Literature, however, has been weak in showing what these large, often multinational, companies are doing at home. This is an interesting omission since the decline of American urban areas is not only widely studied in other disciplines, but widely discussed in popular culture.

**The contribution this study will make to the literature**

In CSR literature there is a surprisingly small amount of information about CSR in an urban context. This study will attempt to use an established CSR framework and apply it to an urban area. Based on the contributions of the companies with respect to each of the identified criteria, insight will be provided on how well this framework applies to urban companies.
Additionally, this study will give some insight into the actions of large firms in CSR. While it has been shown that large firms are typically more involved in CSR (Udayasankar 2008), little additional work has been done in the area. This study will provide additional insight into the real role these large companies are playing, but will not attempt to compare this with the contributions of smaller companies.

This study will also provide organizations in Cincinnati with a tool that can help them identify potential areas for partnership. No study of Cincinnati’s largest companies’ community involvement efforts has been catalogued. With a framework that allows for easy comparison of company efforts, this study will facilitate community-corporation partnerships.

Lastly, the study provides companies in Cincinnati with a tool that will allow them to contextualize their own community involvement efforts with those of their peers. The report also will provide best practices nationally and locally. These guides will serve as a tool to help local companies improve and innovate their own community involvement practices.

Research procedures

Research methodology

This study will be an evaluation of CSR of large companies located in downtown Cincinnati. Companies’ community involvement goals and programs will be evaluated using a framework developed by the Social Venture Network. Specific questions to be asked follow in the instrumentation section.
Specific procedures

To begin the study, was necessary to gain information on company corporate social responsibility in the community. This information first was obtained from companies’ websites. This information often was too general to understand in the context of Cincinnati exclusively, since most companies have influence in a larger region than just the city. To determine more place-specific results, companies were contacted. This consisted primarily of contact with human resources, community relations, or similar departments. Local news and organizations also were reviewed to determine additional information and fill in gaps left by the company’s own reporting. Additional information was obtained regarding companies’ foundation giving. While philanthropic giving is just one component of CSR, this information helped describe company activities. Not every company has a charitable foundation, but many do.

Once data was collected, profiles were created for each company in the study. Each profile provides general information about the company and then describes the company’s involvement with respect to each criterion of the study. An assessment provides an overview of the company’s activities and places them within the context of contemporary urban best practices. In addition to the individual company profiles the report discusses the overall findings. These findings are again evaluated using the Social Venture Network’s Community Involvement Standards. The study also provides an overview of how the activities of Cincinnati’s largest companies compare to contemporary urban best practices.

This analysis provides an understanding of Cincinnati’s local best practices. These best practices are discussed to provide a guideline and measuring stick for companies and organizations looking to maximize their impact in Cincinnati.
Instrumentation

In an effort to provide a thorough and uniform approach the following instrumentation tools were developed/adopted. Companies were contacted with an email explaining the study and requesting participation. This message explained the validity of the evaluation tool being used and provided a date for a follow-up phone call to discuss the study and the company’s involvement further (Appendix II).

The study uses the Community Involvement guidelines developed by the Social Venture Network. Through initiatives, information services and forums, the Social Venture Network supports businesses becoming part of healthy communities. The guidelines used in this study were developed by Social Venture Network during a five-year process, with input from over two hundred business leaders from both inside and outside of the network. In addition to the nine Social Venture Network guidelines, another section was added for additional programs, guidelines or efforts. This is in an effort to understand the effectiveness of the Social Venture Network standards.

The guidelines are as follows:

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.

2. The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and
investments in under-served communities to generate employment and training opportunities.

4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

5. The company focuses on at least one critical community issue and uses its financial and political weight to create change.

6. The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.

7. The company engages its employees and customers in choosing charitable causes.

8. The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.

9. The company enters joint marketing partnerships with community groups to promote socially progressive causes.

10. Please list any additional programs, initiatives, or efforts targeted towards the local community.
Company Profiles

Introduction

Fifteen of Cincinnati’s largest companies were reviewed to determine their corporate community involvement in the city. After reviewing company press releases, websites and local news reports, each company was contacted to enable the corporations to provide a more complete description of their corporate social responsibility efforts in Cincinnati. Nine companies out of the fifteen contacted responded to a request for information. Of these companies, six provided interviews: American Financial Group, Cincinnati Bell, Chiquita Brands International, Duke Energy, E.W. Scripps and Fifth Third Bank. Two additional companies, Procter & Gamble and Western & Southern, directed inquiries to the company’s website and finally Macy’s responded positively to a request for an interview but efforts to schedule the meeting were unsuccessful.

Each profile contains general information about the company, a discussion about their CSR efforts within Cincinnati using Social Venture Network’s Community Involvement Guidelines, and a brief assessment of the company’s activities. Where available, information on the company’s foundation is provided. Eleven companies have charitable foundations. Tax information provided by these foundations was used to determine giving in Cincinnati and overall.

Because of the size of the companies reviewed, their CSR programs were often implemented at a larger scale than Cincinnati. If initiatives were implemented in a larger area but include the city, they are discussed at the most detailed level of aggregation available.
American Financial Group

Type: Insurance

Headquartered: Cincinnati, OH

In Cincinnati since: 1974

2006 Downtown Cincinnati employment rank: Not in top 25

2008 Fortune 1000 rank: 515

CSR Focus areas: Education, Health, Emergency preparedness, Children

Introduction:

American Financial Group is a holding company with Great American Insurance operating as its major subsidiary. The company has a long history in Cincinnati, tracing its roots to the founding of Great American Insurance in 1872 (American Financial Group, Inc. 2008). The company is owned by billionaire Carl Lindner, a Cincinnati native, who founded United Dairy Farmers and formerly owned Chiquita Brands International and the Cincinnati Reds.

The company does not operate a charitable foundation to control its giving, providing funding directly from the company. American Financial Group is visible in the community through its community involvement efforts and primarily through its sponsorship of the Cincinnati Reds stadium. The Great American Ballpark is named after its Great American Insurance Company.
Social Venture Network Community Involvement Criteria:

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.

American Financial and its subsidiaries focus community programs towards services related to health and safety, issues that are closely related to the company’s mission. Many of these efforts arise through a close relationship with the local chapter of the American Red Cross. This partnership has led to free courses offered to Great American Insurance policy holders (Weidner and Watson 2009). It is hoped that these programs help the company by reducing loss claims and that the education of members of the public will create a safer community.

American Financial’s relationship with the Red Cross extends beyond programs available to policy holders to a program which benefits the entire population of Cincinnati. Great American Insurance is the local sponsor for the Ready When the Time Comes program. Beyond a standard partnership, this program has resulted in 70 Great American employees being trained in mass care and sheltering, enabling them to operate an evacuation shelter in the case of an emergency. Great American also provides 8 hours per year of compensatory time for volunteers in the program (Weidner and Watson 2009).

American Financial also has national programs directed towards education. These include the Great American Classroom Makeover, which awards grants for teachers to upgrade their classroom, and online instructional guides for teachers (Great American Financial Resources, Inc 2009). Locally, this includes the Lunch Buddies and Playground Pals program through
which employees of the company spend lunch time with students at Carlisle Elementary School in Covington, Kentucky (Great American Financial Resources, Inc 2009). These efforts are mostly run through the company’s Great American Financial Resources arm. One of the major clients of Great American Financial Resources is educators.

Great American Insurance Group is contributing to diversity and economic development in the city through its spearheading of the Model Contractors Development Program. This program, which is a partnership of several organizations and companies, builds capacity for small contractors. Over fifteen companies participated in the program’s first year (Weidner and Watson 2009). This is particularly important for projects like The Banks, which has set inclusion goals. These goals are fruitless unless enough businesses have the capacity to perform the job required.

2. The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.

American Financial Group and its subsidiaries post press releases on their respective websites. These releases notify the public about new products and services, as well as charity efforts. The company’s website also provides regulatory and investor information (American Financial Group, Inc. 2008).

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.

American Financial Group’s headquarters is located in downtown Cincinnati. These operations are currently spread through various office buildings in the central business
district. This will change soon however, when American Financial moves into the Great American Tower at Queen City Square. This signature building is under construction at 3rd and Sycamore, downtown, and upon completion will be the city’s tallest building (American Financial Group, Inc. 2008).

4. *The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.*

The most visible giving at American Financial Group is related to the company’s association with the Cincinnati Reds. Besides the naming rights to the stadium, American Financial leverages its relationship to assist community organizations. These programs include the Great American Insurance Run program where the company donates money to a local charity for every run the Reds score at home when leading in the 6th, 7th or 8th innings, and allowing local nonprofits to use the Great American Insurance kiosk at the stadium to educate the public about their organization. American Financial also assists local nonprofits by donating used office equipment to the organizations (Weidner and Watson 2009).

Like many area companies, the largest giving campaign in the company is for United Way and the Fine Arts Fund. The company goes beyond participation in these drives, encouraging its employees to give through internal campaigns and incentives (May 2003). In 2007, American Financial gave over $770,000 to United Way (United Way of Greater Cincinnati 2008).

The addition to company charitable giving, American Financial encourages employee volunteerism by providing a Community Service Opportunity section on its internal internet site (Weidner and Watson 2009). This site serves as a coordinating place among the
company’s employees, helping them make connections with others looking for similar volunteer experiences.

5. *The company focuses on at least one critical community issue and uses its financial and political weight to create change.*

   Emergency preparedness and community health are both issues focused on by American Financial Group. The company’s involvement with the Red Cross’ Ready When the Time Comes program has trained numerous employees to run shelters during emergencies. This has already proved useful during the significant power outages suffered in Cincinnati in September 2008. Additionally, the company is involved in health efforts throughout the city through its involvement in many awareness events. The company also looks inward to promote healthy lifestyles within the company through events and education.

6. *The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.*

   American Financial Group’s employees are very active on the boards of local organizations. These include organizations focused on children, education, the arts and regional growth. For example, Carl Lindner has offered to meet with companies looking to move to the region through his affiliation with Cincinnati Business Committee (May and Monk 2009).

7. *The company engages its employees and customers in choosing charitable causes.*

   The company chooses not to have matching fund programs for its employees in an effort to focus its giving (Weidner and Watson 2009). The company tries to orient many of its charitable efforts to its customers, like the Big Rig giveaway which is a raffle for a new truck
provided by Great American Insurance, which provides trucking insurance (American Financial Group, Inc. 2008). Additionally, some of the company’s charitable efforts have been started because of employee interest. This is the case for the company’s involvement with the Cell Phones for Soldiers program (Weidner and Watson 2009).

8. *The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.*

American Financial Group is an equal opportunity employer (Weidner and Watson 2009) but no additional efforts to employ the underemployed were identified.

9. *The company enters joint marketing partnerships with community groups to promote socially progressive causes.*

American Financial primarily partners with organizations to promote awareness for health concerns. These include the American Heart Walk, Light the Night, Winning at Work, Making Strides Against Breast Cancer and health education within the company (Weidner and Watson 2009). Promoting good health is beneficial for the company as well as the community.

American Financial Group also is a partner in Insuring the Children, a network of local insurance companies looking to prevent child abuse and neglect. Insuring the Children does this by providing financial and political support to social service agencies. The organization also provides volunteers to the agencies (Weidner and Watson 2009).

Additionally, Great American Insurance Group is a lead sponsor of the Great American Cleanup. This event encourages volunteers to help clean the city. In 2008 “8,352 Keep Cincinnati Beautiful’s Great American Cleanup volunteers collected 406,460 pounds of litter and debris; planted 13,500 flowers and bulbs; cleaned 578 miles or roads, streets and
highways; and diverted more than 40,000 plastic (PET) bottles and more than 2,500 scrap
tires from the waste stream” (Keep Cincinnati Beautiful 2009).

Assessment:

American Financial Group is certainly visible in the community, primarily because of its relationship with the Cincinnati Reds (a fact that comes up frequently in American Financial Group’s own literature.) While they draw a lot of attention to this relationship, they are involved in much more. The community efforts of the company are focused primarily on its insurance background, and thus includes emergency preparedness and community health. Other efforts by the company are also related to its customers, such as its efforts in education and on behalf of children.

Of the other identified contemporary best practices the company also participates in education. While events like the Great American Classroom Makeover are reminiscent of the traditional philanthropic patterns of giving, there also is a strong training component with the available guides for teachers and the company’s community training efforts.

The company also is involved in partnerships. These efforts include the Model Contractors Development Program and Insuring the Children. Both of these efforts leverage the company’s expertise, political weight and money to improve the community. There is room for improvement however, the company does not partner with organizations to create capacity in underemployed communities in the insurance industry.

Finally there is no indication that American Financial Group has made any efforts to identify and reach out to the diverse populations in the city which may have difficulty obtaining insurance under traditional guidelines. To better serve the city where its new signature building
is being constructed, American Financial Group must recognize these issues and carefully consider if traditional models are best serving such a diverse community.

Overall, American Financial Group is a very involved corporation. The efforts discussed here have not even tried to identify all the things that Carl Lindner has done for the city as an individual. All things considered, however, the company, like all companies, must continually be moving forward to meet the demands of a shifting population. The company some catching up to do with companies on the cutting edge of community involvement.
Introduction:

Chiquita Brands International, most widely known for the production and distribution of bananas, is a produce company headquartered in Cincinnati. The company was moved to Cincinnati by Carl Lindner who became CEO of the company in 1984. Chiquita’s operations are based primarily in Central America, with only a small number of jobs, about 300, actually located in Cincinnati (Godby 2008). The distribution of company jobs outside of Cincinnati correlates to a limited amount of giving in the Cincinnati market. The company does not operate a charitable foundation.

Social Venture Network Community Involvement Criteria:

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the
company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.

No community collaborations were identified between Chiquita and the city of Cincinnati.

2. The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.

Chiquita has a reputation for responding to community issues where it operates. In 2004, Chiquita was singled out by a local socially responsible investment fund as responding to stakeholder issues “as well as any company in Cincinnati” (Watkins 2004). The company provides annual reports as well as other reports and information about the company on its website. This information also includes health and nutrition information, with recipes and educational information to enable its customers to lead more healthy lives.

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.

Chiquita is headquartered in downtown Cincinnati. The company leases six floors in the Chiquita Building, for which it has the naming rights, for its 300 local employees. By necessity much of the company’s operations are in Central America. While the company lacks any formal partnerships with local small businesses, it does look to contract with them when appropriate. The company also works with Goodwill Industries when possible (Godby 2008).
In 2005, the company considered moving its headquarters to Atlanta or Miami. Ultimately, Chiquita decided to stay in Cincinnati, without receiving any incentives, to maintain its focus on its business rather than a potentially distracting move (*Business Courier of Cincinnati* 2005).

4. *The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.*

   Product donation and employee volunteerism are two of the largest parts of Chiquita’s community involvement. Companywide Chiquita donates $100,000 - $200,000 of products each year. While product donations typically occur only in locations where Chiquita has a distribution center, they still are an important part of Chiquita’s activities in Cincinnati, where no distribution center exists. Because of the lack of a distribution center, the Cincinnati market is the most expensive location for the company’s product distributions (Godby 2008).

   In addition to product donations, the company encourages employee volunteerism in several ways. Employees who volunteer are eligible to receive grants or up to 8 hours of paid time off (Godby 2008). These efforts enable employees to choose a cause about which they feel passionate. Chiquita further illustrates its commitment to volunteerism by supporting Give Back Cincinnati, a volunteer group comprised of young professionals (Daumeyer 2006).

5. *The company focuses on at least one critical community issue and uses its financial and political weight to create change.*
Chiquita focuses on health and the environment within the community (Chiquita Brands International 2009). While these issues are directly related to the company’s mission they only recently became the explicit focus of the company’s giving. The company donates a large amount of products to the community each year. Bananas are typically donated to events like walks for charity or rewards for students (Godby 2008).

6. *The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.*

Chiquita is surprisingly absent from the boards of many of the major organizations in the city. The company does not appear to be directly involved with the major arts, development, or education organizations. Chiquita CEO Fernando Aguirre is part of the Cincinnati Business Committee whose influence can be felt throughout the community.

7. *The company engages its employees and customers in choosing charitable causes.*

Employees at Chiquita are able to receive matching funds of up to $1000 for donations to educational institutions. Additionally, employees are able to receive leadership grants or paid time off work when they volunteer (Godby 2008). These efforts enable the company to direct some of its giving directly to causes that are important to its employees.

8. *The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.*

Chiquita is an equal opportunity employer and in 2006 was mentioned by Alfonso Cornejo, president of the Cincinnati USA Hispanic Chamber, as an asset for bringing educated Hispanics into the Cincinnati region (May 2006). The current CEO of Chiquita
Brands, Fernando Aguirre, is a native of Mexico and has been a keynote speaker at a local symposium on diversity (*Business Courier of Cincinnati* 2004).

9. *The company enters joint marketing partnerships with community groups to promote socially progressive causes.*

No information regarding Chiquita’s partnerships within the local community was identified.

**Assessment:**

With a majority of its operations in Central America, Chiquita admits that Cincinnati is not a focus area for its community actions. With that taken into consideration Chiquita is still an active community member, even donating products in the community despite higher costs. Currently, most of Chiquita’s efforts are in product donations and supporting the company’s volunteers. The company’s stated focus areas of health and the environment are new, and it remains to be seen how they will work within the community to accomplish these goals. Certainly, many opportunities exist, from ensuring healthy food options for children to working to accomplish the city’s Climate Protection plan. Chiquita also is largely absent from many of the major Cincinnati institutions. These organizations are filled with many members from Cincinnati’s business community, so it is surprising that such a large corporation would not be involved.

Chiquita’s new focus areas help to align the company’s CSR efforts with the company’s business strategy. This focus opens up many opportunities to expand the company’s efforts in dietary education and also should provide many places to partner with the community to promote these objectives. While already praised within the Hispanic community, the company should consider carefully how its products are used by a diverse urban population and consider creative
alternatives to both open up an underserved market and better serve the community. The new
giving focus areas within Chiquita are a good start to improved community involvement and,
with the proper programs and partners, the company can make great strides within the
underserved population of Cincinnati, even with a limited amount of resources.
Cincinnati Bell

Type: Telecommunications

Headquartered: Cincinnati, OH

In Cincinnati since: 1873

2006 Downtown Cincinnati employment rank: 14

2008 Fortune 1000 rank: N/A

CSR Focus areas: Youth and education, Civic & community, Arts & culture

Introduction:

Cincinnati Bell is a telecommunications company that has been the primary local provider of telephone service in Cincinnati since 1873 (Cincinnati Bell Inc. 2009). With deep roots in the city, Cincinnati Bell considers itself a part of the community. Among the wide range of Cincinnati Bell’s activities, the company’s partnership with Taft High School has received national acclaim for its success. The company does not operate a charitable foundation.

Social Venture Network Community Involvement Criteria:

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.

    Cincinnati Bell is deeply involved in improving education in Cincinnati. To this end they have created several programs. The most notable is Cincinnati Bell’s partnership with Taft
High School. In 2001, Cincinnati Bell formed the partnership with Taft to help create the Robert A. Taft Information Technology High School.

The partnership began over the summer when Cincinnati Bell employees helped give the school a facelift, painting hallways and planting new shrubs. The company then worked with the state of Ohio to have new computers and technology systems installed in the school (Keating 2009).

To support Taft students, dozens of Cincinnati Bell employees come in for an hour each Wednesday and Thursday for tutoring to help prepare the students for the Ohio graduation test (Keating 2009). As a reward for student’s continued success in the technology program, Cincinnati Bell awards all students in the program who maintain a 3.3 GPA a wireless phone and laptop with internet (Cincinnati Bell Inc. 2009). Additionally, the company supports the top 10 graduating students each year with a $5,000 scholarship for college, renewable for up to four years. The company also offers ten summer internships to students at the school, exposing them to the business world and putting their technology skills to use (Keating 2009).

Cincinnati Bell has also used the partnership to create an asset for the community. Employees donated time and resources to open a community center at Taft High School. The center, which is staffed by students, provides 30 computers for community use (Cincinnati Bell Inc. 2009).

The partnership has been overwhelmingly successful. Before the partnership the school had one of the worst reputations in a school district with a bad reputation. Between 2002 and 2005 graduation rates at Taft rose from 25% to 75%, extracurricular participation increased tenfold and parent involvement grew from 20 parents to 350 (Cincinnati Bell Inc. 2009).
Cincinnati Bell’s commitment to education doesn’t end with the Taft partnership. Cincinnati Bell also has created the CB Learn program, which allows Cincinnati Bell customers to choose a school which will receive a $10 annual gift per customer from the company (Cincinnati Bell Inc. 2009). When customers purchase additional Cincinnati Bell products, the school they choose receives additional donations. Cincinnati Bell also partners with the Marvin Lewis and Anthony Munoz Foundations which seek to empower and improve the lives of area students (Keating 2009).

In another education related program, Cincinnati Bell created a unique cell phone plan for University of Cincinnati students which not only assures complete coverage on campus but updates students with safety alerts, shuttle schedules and course information. The company made sure that the plan would be available on high and low-end phones so more students would be able to use the service (Demeropolis 2008).

Cincinnati Bell provides additional services related to community safety. The company runs an emergency management center and works closely with emergency personnel during emergencies. The company also works with the Red Cross to sponsor the Business Emergency Planning Association. This organization trains businesses on proper emergency management techniques in an effort to minimize human and economic impacts during emergencies. Within the company, Cincinnati Bell takes safety very seriously with routine inspection and training at the company’s facilities (Keating 2009).

Cincinnati Bell also contributes to improving the health of the city through multiple initiatives. The company partners with the Boomer Esiason Foundation which seeks to combat Cystic Fibrosis. The money that Cincinnati Bell provides to the foundation is used to fund a chair at Children’s Hospital to research the disease and hopefully find a cure (Keating
Additionally, Cincinnati Bell partnered with the Susan G. Komen for the Cure Greater Cincinnati and with the American Cancer Society to raise awareness about breast cancer through exclusive phones and a mobile mammogram unit that travels to Cincinnati Bell stores (Cincinnati Bell Inc. 2009).

2. The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.

   Brian Keating, VP of Administration and Human Resources, called stakeholder involvement an integral part of Cincinnati Bell (Keating 2009). Customers are kept up-to-date through news releases, investor information, regulatory information and more.

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.

   Cincinnati Bell’s headquarters is located in the Atrium One building in downtown Cincinnati. The company also maintains the historic “Telephone Building” located downtown. Additionally, Cincinnati Bell operates many stores, utility garages and other service sites throughout the city.

   Encouraging diverse businesses within the city is important to Cincinnati Bell, even inspiring a 2006 editorial in the Cincinnati Business Courier by company president and CEO Jack Cassidy entitled Minority-owned companies good business for entire region. Within the company Cincinnati Bell has gone beyond its own supplier diversity program and implemented a second-tier supplier diversity program requiring the company’s first-tier suppliers also to have a supplier diversity program (Keating 2009). The company also works
to build capacity in the minority business community by working with the South Central Ohio Minority Business Council and Cincinnati’s Minority Business Accelerator. In 2008, more than 9% of Cincinnati Bell’s spending was with minority owned companies (Business Courier of Cincinnati 2008).

4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

Cincinnati Bell gives roughly 1% of its gross annual revenue to charity (Keating 2009). This includes the company’s giving to United Way which in 2007 totaled over $500,000 (United Way of Greater Cincinnati 2008). The company also contributes to the Fine Arts Fund and encourages community groups to apply for sponsorships on its website. Community sponsorships are guided by a diverse committee of Cincinnati Bell employees (Keating 2009).

Cincinnati Bell also leverages its expertise as a telecommunications provider, giving over $400,000 in free and reduced phone and wireless service to community organizations (Keating 2009). For example, these services include the use of Cincinnati Bell phones at an event to ease communication among the organizers.

The company also supports an employee-led volunteer group called Cincinnati Bell Pioneers. The company supplements costs for the all-volunteer organization, which completes 15-20 projects a year, including an annual service day in the community (Keating 2009).
5. *The company focuses on at least one critical community issue and uses its financial and political weight to create change.*

Though Cincinnati Bell is active in many areas within the community, the company’s education initiatives stand out as the company’s principle focus area. As illustrated in criteria #1, Cincinnati Bell’s Taft High School partnership involves the use of volunteers, funds, and political influence to create a huge impact on a struggling inner-city school. Cincinnati Bell also has helped construct a new computer lab at Purcell Marion High School (Keating 2009). In addition, the company has a political action committee to provide funding to candidates the company supports (The Center for Responsive Politics 2009).

6. *The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.*

Jack Cassidy, Cincinnati Bell’s President and CEO, encourages every officer in the company to serve on at least one charitable board (Keating 2009). Mr. Cassidy leads by example, serving on many local boards including 3CDC, chairing the Minority Business Accelerator, Cincinnati USA Regional Chamber, and University Hospital. The entire leadership team of Cincinnati Bell has similar resumes with involvement reaching throughout the city (Cincinnati Bell Inc. 2009).

7. *The company engages its employees and customers in choosing charitable causes.*

Requests for funding come from employees, customers and community organizations. These requests are reviewed by a rotating board of Cincinnati Bell employees who help guide the company’s sponsorships. Keating estimates that written requests from customers account for 50% of Cincinnati Bell’s requests (Keating 2009). The company also invites employees
and customers to events throughout the year. These events include golf outings, galas and skeet shooting events, of which Jack Cassidy is an avid enthusiast (Keating 2009).

8. The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.

In conjunction with the company’s supplier diversity programs, Cincinnati Bell looks to partner with local organizations to recruit underemployed segments of the population. This includes hiring from job fairs sponsored by the Urban League and INROADS (Keating 2009). In addition to the annual scholarships offered through the Taft High School partnership, Cincinnati Bell looks to hire qualified students from the school for full time positions within the company. Cincinnati Bell also is a sponsor for the WE Lead program to train and empower women in the business community to be strong community leaders (Business Courier of Cincinnati 2008).

9. The company enters joint marketing partnerships with community groups to promote socially progressive causes.

Cincinnati Bell works closely with many community organizations in promoting socially progressive causes such as regionalism and improved race relations and supporting initiatives for health and children. Cincinnati Bell works with the Cincinnati USA Partnership by providing both funding and serving in leadership positions. The company also works with Better Together Cincinnati, the Urban League, and the Inclusion Network to improve diversity and race relations within the city (Keating 2009). In addition to the company’s work with the Marvin Lewis and Anthony Munoz funds, Cincinnati Bell used its marketing campaign featuring Nick Lachey to promote the St. Nick’s Gifts for Kids campaign to
encourage community members to donate gift cards for needy children around the holidays (Cincinnati Bell Inc. 2009).

Assessment:

Cincinnati Bell’s Taft High School Partnership is extremely comprehensive. The program includes company volunteers, donations, leverage political connections, training, product tie ins, jobs and the community. This effort alone is admirable but Cincinnati Bell’s efforts go even further in both education and the community. When Cincinnati Bell says that they are committed to good corporate citizenship and corporate responsibility, it isn’t lip service. Cincinnati Bell is committed to Cincinnati and the results show.

While many of Cincinnati Bell’s community efforts are ancillary to the company’s business, the company makes use of its position as a communications service provider to assist both organizations and students. It is also difficult however to determine if Cincinnati Bell takes steps to tailor goods and services to the diverse clientele of the city. Brian Keating, VP of Administration and Human Resources, has a view of the city from his office in downtown Cincinnati and recognizes that everywhere he sees are his potential customers and it is important to be a part of the community.
Convergys

Type: Relationship management

Headquartered: Cincinnati, OH

In Cincinnati since: 1998 (Spun off from Cincinnati Bell)

2006 Downtown Cincinnati employment rank: 16

2008 Fortune 1000 rank: 703

CSR Focus areas: Education, Health and human services, Community relations

Introduction:

Convergys is a relationship management company headquartered in Cincinnati, Ohio. Although the company is only ten years old, it has achieved rapid growth across the globe. The company has 75,000 employees worldwide with 2,000 located in Cincinnati.

The Convergys Foundation is the giving arm of the company with almost $825,000 in giving in 2007. The company’s giving focuses on education, health and human services, community relations programs and health and wellness initiatives. From the graph below it can be seen that most of the foundation’s giving has been in Cincinnati. From 2003 to 2007, however, both overall giving and the ratio of giving in Cincinnati have decreased. The company is still an active community participant and has been recognized by the Calvert Social Index and the KLD Domini 400 Social Index as a top company in Corporate Social Responsibility.
Convergys also has been named one of the world’s most admired companies for 9 consecutive years by *Fortune* magazine (Convergys 2009).

Social Venture Network Community Involvement Criteria:

1. **The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.**

Convergys is part of Business Roundtable’s Social Environmental Economic (S.E.E.) Change initiative. To meet the goals of this initiative Convergys has developed a long-term sustainable development program that includes increased training programs for employees and environmental directives to reduce, reuse, and recycle (Convergys 2009).
Convergys supports education in Cincinnati through matching funds to educational institutions and a partnership with Withrow High School. This partnership brings students to Convergys to job shadow employees who then become mentors for the students. The partnership also includes programming for incoming freshmen to help steer them towards a successful high school career and culminates in the top ten students at Withrow receiving laptops to use in their college studies (Convergys 2009).

In addition to the company’s internal diversity programs, Convergys sponsors the Theodore M. Berry Lecture series at the Underground Railroad Freedom Center. This lecture series brings prominent speakers on human rights and policy to Cincinnati for a free public lecture and discussion. Convergys also supports the Freedom Center with financial and leadership support (Convergys 2009).

2. The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.

Convergys makes it easy for stakeholders to stay up-to-date with the company’s relationship management operations and vision through the use of a variety of new media on the company’s website. The company uses blogs, webinars, podcasts, and PowerPoints to inform interested parties of the latest industry ideas. The company’s website also includes investor information and annual reports.

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.
Convergys’s headquarters is located in downtown Cincinnati. The company purchased the Atrium I office building in 2003 with the assistance of city and state incentives. From the city, Convergys received $52.2 million in tax incentives and tax breaks and grants from the state of Ohio totaled $144 million. The company can receive additional tax incentives for adding jobs downtown (Business Courier of Cincinnati 2003). Some of the company’s operations in Cincinnati are outside of the CBD. They operate call centers in Norwood and Erlanger.

The company also contributes to local economic and social development through its procurement practices. Convergys has a supplier diversity program that not only includes small minority, women and veteran owned businesses, but also HUBzone businesses (Convergys 2009). HUBzones are historically underutilized business zones. By incorporating these businesses, the company recognizes the need for the economic development of distressed communities.

4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

Convergys gives annually to the Fine Arts Fund and United Way. The company’s efforts with the Fine Arts Fund led to a national award for supporting the arts in 2003. Convergys received the award for not only giving to the fund but also for developing the Leadership Giving Model (Business Courier of Cincinnati 2003). In 2007 their United Way giving in Cincinnati totaled $1,115,810 (United Way of Greater Cincinnati 2008). The company also uses its relationship with United Way to find local nonprofits that would benefit from the donation of office equipment.
Convergys also supports community volunteerism through several initiatives. The company has Community Action Teams to support employee volunteer activities. Employees nominate an idea which is then accepted by CATs who organize volunteers to implement the project in the community. Convergys also has an annual Community Action Day for employees to give back to their community (*Business Courier of Cincinnati* 2003).

5. *The company focuses on at least one critical community issue and uses its financial and political weight to create change.*

In addition to the company’s giving focus on education, health and human services, and its community relations, Convergys has occasionally vocalized its stance on important political issues. The company favored a repeal of a Cincinnati constitutional amendment that prohibited passing laws to protect gay rights (May and Monk 2004). Convergys also came out in support of a 2006 initiative to allow slot machines in area racetracks. Convergys supported the measure, which included a guaranteed $100 million for Cincinnati, since it would allow the city to fund critical development projects (May 2006). In addition, the company has a political action committee to provide funding to candidates the company supports (The Center for Responsive Politics 2009).

6. *The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.*

Convergys employees can be found on several local boards including 3CDC, the National Underground Railroad Freedom Center, and the Cincinnati Art Museum. Their efforts with these organizations extend beyond serving on the boards to include assisting with programming and special events.
7. **The company engages its employees and customers in choosing charitable causes.**

    Convergys engages employees in volunteerism through several initiatives. The company’s educational support includes a matching gift program for qualified educational institutions. The company also helps employees organize for volunteer efforts through Community Action Teams and an annual Community Action Day (Convergys 2009).

8. **The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.**

    Convergys has many unique offerings to assist the underemployed in the community. The company has a global diversity committee to develop and guide Convergys’s diversity tracking, training, recruitment and development. The company’s education and training involves a program called Operating in a Global Environment, which teaches multicultural skills to employees. There also are several affinity groups within Convergys to provide support for various minority and underrepresented groups of people. In addition to the company’s global diversity committee, Diversity Action Committees identify solutions to diversity at a local level (Convergys 2009).

    Beyond traditional internal efforts to increase diversity within the company, Convergys also makes it easy for employees to work from home via the Convergys Home Agent Program. Persons with low mobility, without access to a car or requiring flexible schedules, may be better able to work from home instead of at an office. The company provides in-home training and an easy system to set up and apply for in-home employment. Another group that may find this program useful is spouses of army servicemen. Convergys has partnered with the Army Spouse Employment Program to support these individuals who are
often required to live on or near military bases, and thus have limited potential for employment (Convergys 2009).

In addition to their own diversity programs, Convergys hires locally from the Urban League’s Accelerated Call Center Education program (May 2008). Once in the company, Convergys seeks to promote from within. The company encourages all employees to have a Professional Development Plan, which is also facilitated through an online Personal Development Center (Convergys 2009).

9. **The company enters joint marketing partnerships with community groups to promote socially progressive causes.**

Convergys has partnered with the Freedom Center to support diversity, and with the U.S. Army to provide job assistance to spouses of soldiers. Additionally, the company shows its commitment to education in the city through its Withrow High School partnership.

**Assessment:**

Convergys is an interesting company. Although it is young, its growth and influence have been rapid. While the company has operations in many countries, it maintains a strong presence in Cincinnati, reinforcing that commitment by the purchase of Atrium I in 2003. While the Convergys Foundation provides a lot of its funding in Cincinnati, it was hard to identify Convergys’s programs and efforts in the city.

Convergys’s business, which is built on serving the needs of other businesses, is perhaps hard to tie to community needs. Perhaps this is why it was hard to identify areas where Convergys’s community efforts reflected the company’s business practices. This also may make it hard for the company to tailor goods and services to the local community. However, Convergys does give attention to education and training in the community. The company’s
Withrow High School program encourages education in a Cincinnati Public School. Convergys also hires from the ACE education program sponsored by the Urban League of Cincinnati. At times the company partners with other institutions and organizations to achieve more significant results.

Overall, Convergys seems to do a little bit of everything but nothing with a lot of force or momentum. While some companies can point to their “baby,” the program that they’ve invested in and seen to its success, Convergys cannot. Convergys appears to be a noteworthy contributor to giving in Cincinnati but not a community leader.
**Delta Air Lines**

Type: Airline

Headquartered: Atlanta, GA

In Cincinnati since: 1947 Regional hub opened: 1981

2006 Downtown Cincinnati employment rank: 9

2008 Fortune 1000 rank: 129

CSR Focus areas: Health and wellness

**Introduction:**

Delta Air Lines is based in Atlanta, Georgia. The company has operated in the Cincinnati market since the opening of the Greater Cincinnati Airport in 1947. In 1981 the company opened a regional hub at the airport, which it continues to operate, although recent troubles in the airline industry and Delta’s merger with Northwest Airlines have created speculation about the continued operation of the hub. While the airport is located in Hebron, Ky. the fact that the airport is one of four regional hubs for Delta is a benefit to the entire region, including the city of Cincinnati. The airline also operates a call center in downtown Cincinnati.

A review of contributions from the Delta Air Lines Foundation reveals the company’s giving in Cincinnati. Overall giving levels from the airline have varied, potentially due to the company’s own financial troubles. Giving in Cincinnati has remained fairly constant, and
relatively limited. Typically the only contribution from the Delta Air Lines Foundation in the city of Cincinnati has been an annual gift to the National Underground Railroad Freedom Center.

![Delta Air Lines Foundation Giving](chart.png)

Source: IRS 990 Documents

**Social Venture Network Community Involvement Criteria:**

1. *The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.*

   No information regarding Delta’s community collaborations were identified.

2. *The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.*
Delta provides news updates about the company on its website as well as information on corporate governance, annual reports and investor relations (Delta Air Lines, Inc. 2009).

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.

Delta operates a large call center in downtown Cincinnati, which opened in the early 2000s (Market Wire 2000). For procurement of materials, Delta operates a supplier diversity program which contracts with small veteran-, woman-, and minority-owned businesses as well as businesses located in historically underutilized business (HUB) districts. Additionally, Delta encourages its suppliers to contract with diverse contractors (Delta Air Lines, Inc. 2009).

4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

No information regarding the company’s giving policies in the local community were identified.

5. The company focuses on at least one critical community issue and uses its financial and political weight to create change.

Delta’s stated giving focus is in the areas of health and wellness. To that end the company partners with several national organizations with operations in Cincinnati. These organizations include Juvenile Diabetes Research Foundation International, the American Cancer Society, and the Children’s Miracle Network (Delta Air Lines, Inc. 2009). In addition
the company has a political action committee to provide funding to candidates the company supports (The Center for Responsive Politics 2009).

6. *The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.*

   No information regarding the involvement of Delta employees serving on the boards of local institutions was identified.

7. *The company engages its employees and customers in choosing charitable causes.*

   Delta enables customers who feel passionately about the environment to offset carbon emissions from their flight with a donation to the Conservation Fund. The company also has run promotions where customers could buy pink lemonade on flights with all proceeds benefiting the Breast Cancer Research Foundation (Delta Air Lines, Inc. 2009).

8. *The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.*

   Delta airlines’ Gay and Lesbian Employee Network has sponsored gay pride parades across the country (May 2006). Additionally, Delta supports affinity groups for black, women, Latin American and Asian and Pacific Islander employees. Delta recognizes its diverse customer base and seeks to reflect this diversity in its employee base as well (Delta Air Lines, Inc. 2009).

9. *The company enters joint marketing partnerships with community groups to promote socially progressive causes.*
In 2003, after backing out of a deal for naming rights of the Cincinnati Convention Center, Delta devised an innovative idea to help promote tourism in Cincinnati. The airline donated tickets to the Greater Cincinnati Convention and Visitors Bureau to help recruit conventions to the city (Monk 2003). This action reflected Delta’s commitment to the city even during hard economic times for the airline industry.

Assessment:

Despite operating a large hub in the region, Delta’s community involvement efforts in Cincinnati are limited. The company participates in many organizations at a national level, with coverage areas that include the city. Cincinnati is on the company’s radar. It provides an annual gift to the Freedom Center and offers flights for leaders to promote the city, but these efforts appear to be minimal.

Delta’s charitable focus areas of health and wellness do not apply directly to the company’s mission but many of the ways in which organizations are supported is through Delta’s position as an airfare provider. For example, Delta underwrites air travel for the Children’s Miracle Network. It is difficult to determine the effects Delta’s national partnerships have had at the local level. Additionally, no evidence could be found of Delta attempting to cater goods and services to the community or use education to empower the community.
Duke Energy Corporation

Type: Energy

Headquartered: Charlotte, NC

In Cincinnati since: 2005 (previously locally based Cinergy, Cincinnati Gas and Electric)

2006 downtown Cincinnati employment rank: 10

2008 Fortune 1000 rank: 204

CSR Focus areas: Environment and energy Efficiency, Economic development, Community vitality

Introduction:

Duke Energy, based in North Carolina, entered the Cincinnati market through its 2005 purchase of Cinergy, a locally owned power company with roots in the community since 1837. Despite some concern from the local community about losing a local institution like Cinergy, Duke’s long history of community involvement suggested the company would stay involved locally. To further allay community fears, Duke was ordered by the Federal Energy Regulation Commission to maintain Cinergy giving levels (Caldwell 2009). Rachelle Caldwell, from the Duke Energy Foundation, says that Duke invests even more than Cinergy. This can be seen in the giving from the Duke Energy Foundation in the chart below.

The change from the Cinergy Foundation to the Duke Foundation can be seen from 2006 to 2007 on the chart below. While Duke would be expected to have a higher percentage of giving outside the region, it is concerning that giving in the city decreased so much during the
transition. Hopefully, as Ms. Caldwell indicated, Duke will maintain and exceed Cinergy giving levels, and the low level of giving in 2007 was just an artifact of the company’s transition into Cincinnati.

Social Venture Network Community Involvement Criteria:

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.

Duke Energy supports education in a variety of ways. In a more traditional type of giving, the company funds two scholarships for minorities at Xavier University (Malekzadeh 2007). More innovative is the company’s new pilot program in Cincinnati called Transitions to Teaching. This program provides training for retiring Duke employees for careers in the Math and Science field (Caldwell 2009). The program seeks to benefit former employees
who are still interested in working, and area schools that are in need of math and science
teachers. Duke hopes to create a successful model in Cincinnati that can be a model for other
companies across the country. Duke also works in schools to educate children about energy
conservation (Duke Energy Corporation 2009).

The company also focuses its community efforts in economic development. Recently the
company agreed to give $3.5 million to the city of Cincinnati to help fund the proposed
streetcar system (Business Courier of Cincinnati 2008). Duke also provides Community
Success Grants to help communities retain nonretail jobs (May 2006).

2. The community is seen as an important stakeholder in company operations, is considered in
decision-making, and kept informed of the company’s operations and plans, and of the
impacts of the company’s products, services, and activities.

Duke’s website contains a wealth of information about the company’s operations
including investor information, energy saving techniques, company news, and information on
how the company is seeking to address its environmental impacts and community efforts. In
addition to continually updated information on the number of power outages in the area, the
company makes special efforts during times of crisis. This includes the September 2008
power outages in the city when the company sought continually to update the public to assure
area residents that the company was working to restore power quickly.

3. The company uses its procurement and investment practices to improve local economic and
social development. Where possible, it locates operations and investments in under-served
communities to generate employment and training opportunities.

Duke’s local headquarters is in the Atrium II building in downtown Cincinnati. The
company also maintains several payment centers in the city. Caldwell explains that it is
important for Duke to reach customers where they are, with particular attention given to areas which may have low levels of vehicle ownership. Additionally the company has a supplier diversity program and helps build capacity in the minority business community through the minority business accelerator (Caldwell 2009).

4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

Duke donates about 1% of its profits to charitable causes, primarily in its focus areas of environment and energy efficiency, economic development and community vitality (Caldwell 2009). As with many companies in Cincinnati, Duke gives to United Way and the Fine Arts Fund. In 2007, Duke donated over $1,000,000 to United Way campaign (United Way of Greater Cincinnati 2008). In addition to these donations Duke also makes in-kind contributions of appliances to Habitat for Humanity and office supplies to Crayons to Computers (Caldwell 2009). The company also provides clean energy products to local institutions. Currently these include solar panels at the Cincinnati Zoo and in Cincinnati parks. The company also provides in-house printing services to local organizations that lack the capacity (Caldwell 2009).

Duke encourages employee volunteerism through support for employee led volunteering. Employees are able to connect for volunteer events through a volunteer connection area of the company’s internal website. Duke also promotes a month-long Global Service Event encouraging employees to engage their community through employee-led volunteering opportunities. Volunteers also are eligible to receive grants for the organizations with which they work (Duke Energy Corporation 2009).
5. *The company focuses on at least one critical community issue and uses its financial and political weight to create change.*

Duke’s primary community issue is energy and the environment. Duke operates several hydroelectric plants making it the 2nd largest producer of hydroelectric energy in the country (Duke Energy Corporation 2009). In addition to hydroelectric power, the company is adding to its portfolio of solar, wind and biomass operations and is developing hybrid electric vehicles. Duke also engages consumers, offering information and tracking services on its website to help homeowners looking to save energy. The company also contracts with People Working Cooperatively to help homeowners improve the efficiency of their homes and reduce energy costs (May 2008). Duke is politically involved in these issues and is currently working to ensure proper controls to curb global warming (Duke Energy Corporation 2009).

In addition to energy issues, Duke is a committed community partner focusing in the areas of economic development and community vitality. These efforts include Duke’s involvement with the Cincinnati Streetcar and the city’s growth and opportunities study (May 2008). Duke also works with businesses entering the Cincinnati market to find a suitable site and advocates on behalf of the region (Duke Energy Corporation 2009). Also important within the Cincinnati community, Duke has continued CG&E’s tradition of operating a large model train display downtown during the holidays. In addition, the company has a political action committee to provide funding to candidates the company supports (The Center for Responsive Politics 2009).
6. The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.

Duke encourages its employees to be involved with local organizations through education and financial initiatives. On the company’s internal website, Duke provides a guide to serving on boards and volunteers can receive up to $1000 for the organizations on whose boards they serve (Caldwell 2009). With deep roots in the community tracing to CG&E, Duke is very involved with local institutions. Duke employees can be found on the boards of local education, development, arts and community institutions.

7. The company engages its employees and customers in choosing charitable causes.

There are many ways for employees and customers to be involved in Duke’s charitable actions. Customers can choose to give to HeatShare, a fund to assist those unable to pay their utility bills in winter. In 2007 the company donated over $800,000 and helped 200 families. Employees’ gifts to education are matched dollar-for-dollar and gifts to nonprofits are matched 50 cents to the dollar (Caldwell 2009).

Duke also supports its employees’ charity work. Employees are eligible to receive grants for programs they work on with nonprofits. In 2007 these grants totaled $150,000. Additionally, employees can use up to 8 hours of compensatory time a year for their volunteer efforts. The company also sponsors an annual event called the Global Service Event. This event, which is highly publicized through the company, encourages employees to give back to the community through employee-led events (Duke Energy Corporation 2009).
8. *The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.*

Duke considers diversity in the workplace to be very important. In addition to a number of employee resource groups, the company has a diversity council made of company employees. This group helps guide Duke’s efforts and initiatives to ensure a diverse workforce. Duke partners with many minority chambers of commerce and works with the Urban League of Greater Cincinnati to create employment in minority communities. The company also advertises employment opportunities in *The Cincinnati Herald*, a leading African-American newspaper (Caldwell 2009).

9. *The company enters joint marketing partnerships with community groups to promote socially progressive causes.*

Along with a myriad of national partnerships related to sustainability, corporate citizenship and energy efficiency, Duke is involved with local community groups as well. Duke is part of the Cincinnati Energy Alliance, promoting sustainable energy practices in the city, UGive, encouraging youth volunteerism and Agenda 360 and Cincinnati USA, aiming to achieve a more regional minded community (Caldwell 2009).

**Assessment:**

Despite concerns about how an outside company would change the century long relationship Cinergy had with Cincinnati, Duke has proven to be very engaged in Cincinnati, even exceeding giving levels of Cinergy. The company also responded quickly during a local emergency, the wind storms of September 2008.

Duke’s primary commitment to energy and the environment closely align with the company’s business strategy and is an obvious focus area for the company. Duke has begun to
implement many initiatives in this area and if its activities in its other, more established, markets are any indication, the company will continue to do even more to improve its sustainability in Cincinnati. Duke also seems to be more aware of the unique challenges of serving an urban market than some companies, consciously placing bill payment centers where they are most needed. Duke also is establishing its position as a leader in environmental education, even offering free advice on ways to improve energy efficiency. These efforts expand in various ways into the community. Duke also recognizes the benefits of partnerships that focus not only on national organizations for sustainability and corporate social responsibility, but those that engage the local community as well.
**E.W. Scripps**

Type: Media

Headquartered: Cincinnati, OH

In Cincinnati since: 1883, headquarters since 1977

2006 Downtown Cincinnati employment rank: Not in top 25

2008 Fortune 1000 rank: 768

CSR Focus areas: Education, Social services, Civic, and Arts and cultural affairs

**Introduction:**

E.W. Scripps is a media company headquartered in Cincinnati, Ohio. The company operates newspapers and television stations, as well as providing licensing and syndication. In addition to the company’s headquarters in Cincinnati, the company also operates the local ABC affiliate, WCPO and, until 2007, published *The Cincinnati Post*. Although the company operates many media ventures, the company name is perhaps most well known for its sponsorship of the Scripps National Spelling Bee, a national spelling competition for students in middle school. In 2008 Scripps spun off its national and international businesses into a new company, Scripps Network Interactive. The new company is still located in the Scripps Center in Cincinnati (E.W. Scripps Company 2009).

The company’s corporate foundation, the Scripps Howard Foundation, is the largest corporate foundation in Greater Cincinnati. The Scripps Howard Foundation strives to advance the cause of a free press through support of excellence in journalism, quality journalism...
education and professional development, and this is related to the foundation’s funding (E.W. Scripps Company 2009). Giving in Cincinnati has remained close to $800,000 despite an overall increase in giving.

Social Venture Network Community Involvement Criteria:

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.

   The Scripps Howard foundation takes special note of Cincinnati by separating a Greater Cincinnati Fund from the rest of the foundation’s giving. This fund is used to provide grants to various organizations in Cincinnati, as well as fund nonprofit internships for area college students. This program partners undergraduate communications students with nonprofits, providing support for the institutions and providing financial support for area students. In
2008, some of the organizations with a Scripps intern included the Over-the-Rhine Chamber of Commerce, the Literacy Network of Greater Cincinnati, and the East End Adult Education Center. These programs exist within organizations in the health, education, arts, and community development fields. Since 2002, the program has partnered 184 interns with 58 area nonprofits (E.W. Scripps Company 2009).

In addition to the Greater Cincinnati Fund, the company supports education in the community in a variety of ways. The company provides literacy grants, in Cincinnati through funding provided to the Literacy Network of Cincinnati. Scripps also has supported community education during state and national election campaigns by providing daily free airtime to candidates and creating nonpartisan websites with information for voters. The national Scripps Spelling Bee also supports local education through a donation drive centered on the well-known competition (E.W. Scripps Company 2009).

To improve diversity in the community, the company was the major funder of Bridges for a Just Community (May 2007). A survey created by this organization measured intergroup relations in Cincinnati. Hopefully, this effort will give the community a way to gauge its progress in race relations and the treatment of minority groups and will show what needs to be improved to make Cincinnati inviting for all people. E.W. Scripps is also committed to Better Together Cincinnati, which works to identify and solve race relation problems in the city.
2. The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.

E.W. Scripps informs the company of its operations through its website, which offers investor information, press releases and general company information (E.W. Scripps Company 2009).

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.

E.W. Scripps headquarters are in the Scripps Center located on Walnut Street near the Ohio River in downtown Cincinnati. This 35 story tower was built by E.W. Scripps in 1990 (E.W. Scripps Company 2009). The company also owns WCPO which was located on the west wide of downtown until the convention centers expansion forced its relocation in 2002. The company chose to move WCPO to the former site of the Natural History Museum on Gilbert Avenue in Mt. Adams (Lemmie 2002).

Currently, Scripps does not have programs related to minority suppliers. The company has stated however, that its Media Procurement Services subsidiary is in the process of developing a program to ensure more supplier diversity (Washington 2009).

4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

E.W. Scripps is involved in many of the large giving campaigns in the city, such as the Fine Arts Fund and United Way. In 2007, the company gave almost $350,000 to United Way.
(United Way of Greater Cincinnati 2008). In total, the Scripps Howard Foundation gives roughly $800,000 a year to Cincinnati organizations. This giving is guaranteed annually through a Greater Cincinnati Fund within the foundation. The company encourages volunteerism through $1000 volunteer grants for eligible employee volunteers. Scripps also contributes to local organizations through the contribution of in-kind donations to fund raising events like silent auctions (Washington 2009).

5. The company focuses on at least one critical community issue and uses its financial and political weight to create change.

The Scripps Howard Foundation lists education, social services, civic, and arts and cultural affairs as its priority giving areas in Cincinnati. Showing its commitment to civic life, E.W. Scripps was a founding member of Better Together Cincinnati. BTC is an organization formed after the 2001 Cincinnati riots to fund initiatives to reduce racial disparities in Cincinnati. The company remains active with the organization, encouraging leadership and employees to participate in the initiative (Washington 2009).

6. The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.

E.W. Scripps employees are involved in many organizations in Cincinnati. These include 3CDC, Cincinnati USA Chamber of Commerce, Cincinnati May Festival, and Children’s Hospital. The employees are often focused in their efforts, serving on boards of the organizations with which Scripps has partnered. This is true, for example, of the Literacy Network of Greater Cincinnati.
7. *The company engages its employees and customers in choosing charitable causes.*

Scripps takes many steps to engage its employees when identifying causes. In addition to matching gifts for education, financial literacy and community foundations, the company awards annual grants for volunteers. Cincinnati benefits from awards to employees from WCPO, the Scripps Company, and *The Cincinnati Post* (until recently). With multiple operations in the city, there are more opportunities for employees to receive grants. The company also gives out the William R. Burleigh Award for Distinguished Community Service to employees who show exemplary community service. In addition to the individual accolades, the company donates $5000 to an organization of the recipient’s choosing (E.W. Scripps Company 2009).

8. *The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.*

As a company with operations in many locations E.W. Scripps requires diversity throughout the company. In addition to being an equal opportunity employer, E.W. Scripps employs a director of talent and diversity (Washington 2009).

9. *The company enters joint marketing partnerships with community groups to promote socially progressive causes.*

In addition to the previously identified community partnerships, Better Together Cincinnati, nonprofit internships, and nonprofit grants, E.W. Scripps also is a partner with the March of Dimes in Cincinnati and the Fine Arts Fund (Washington 2009).
Assessment:

E.W. Scripps has a long history in Cincinnati and has shown its commitment to the city by building its new headquarter building in downtown in 1990 and deciding to keep WCPO in the city in 2002. However, as the company has grown, its giving in Cincinnati has remained stagnant. The company’s nonprofit internship program is an innovative program to connect college students to the community and its efforts to improve race relations in the city were greatly needed after the riots in 2001.

The importance of education and training identified in CSR literature was addressed through E.W. Scripps literacy efforts. By supporting the Literacy Network of Greater Cincinnati with financial and leadership support, the company increases the organization’s likelihood of success. This initiative also aligns with the company’s business as a media provider. Additionally, this effort reveals E.W. Scripps’ ability to work in partnerships to achieve better results. No attempts to specialize its products to the diverse Cincinnati community were identified.

Most of the efforts listed by the Scripps Howard Foundation are journalism scholarships and endowments to universities. The majority of these programs are not in Cincinnati, although the company provides support for the Scripps Howard Center for Civic Engagement and Nonprofit Development at Northern Kentucky University. This center provides students with resources on finding nonprofit jobs and engages in volunteer activities in the community, including service learning courses.

Overall, E.W. Scripps is an engaged community member but still shows room for improvement to better meet the needs of a diverse urban population. The Scripps Howard Foundation’s focus on supporting excellence in journalism, quality journalism education and
professional development, works well to address illiteracy in the city but may limit the scope of
the company’s efforts in community redevelopment.
**Fifth Third Bancorp**

Type: Financial Services

Headquartered: Cincinnati, OH

In Cincinnati since: 1908

2006 Downtown Cincinnati employment rank: 3

2008 Fortune 1000 rank: 307

CSR Focus areas: Arts and culture, Community development, Education, Health and human services

**Introduction:**

Fifth Third bank is the largest bank in Cincinnati, with a strong presence in both the city and region as a whole. The bank has a long history in the city and was formally created as Fifth Third Bank of Cincinnati in 1908 after the merging of Fifth National Bank and Third National Bank (Fifth Third Bank 2009).

Fifth Third has a long history of community involvement. In 1948, it established the Fifth Third Foundation, the first corporate foundation established by a lending institution (Fifth Third Bank 2009). The Fifth Third Foundation continues to operate as the charitable foundation of the company. Figure 1 shows the giving of the foundation in Cincinnati and elsewhere from 2002-2006. It can be seen that the foundation has decreased both its overall and local giving, though it still remains committed to the city of Cincinnati. In addition to the foundation, the company also operates a Community Affairs department to meet the needs of the companies in which it operates.
As a banking institution, Fifth Third is encouraged through the Community Reinvestment Act of 1977 to ensure that all communities have access to adequate banking services including access to loans. In 2007 the bank originated 215 small business loans worth almost $40 million in Hamilton County census tracts below 50% of the county median income (FFIEC 2009). Fifth Third maintains a CRA ranking of “Outstanding” for its Ohio and Michigan operations (Fifth Third Bank 2009).

![Fifth Third Foundation Giving](chart.png)

Source: IRS 990 Documents

**Social Venture Network Community Involvement Criteria:**

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.

Fifth Third’s community programming focuses on three primary areas: education, diversity and economic development. These programs stay true to the company’s core mission as a lending institution.
Fifth Third’s focus in education is financial literacy. The company has several programs in place to address this community need. The company’s Young Bankers Club was started in 2004 as a youth education program. The program teaches fifth graders financial literacy and also encourages their parents to participate in financial education through Freddie Mac’s CreditSmart program. The company also advances community financial literacy through its eBus program. The eBus offers one-on-one financial counseling to families who are faced with foreclosure and loss mitigation issues (Jark 2009). In 2008, 2600 people throughout Fifth Third’s service area received one-on-one counseling through the e-Bus.

Diversity in the banking sector focuses primarily on services provided to minority communities. This is a major focus of the CRA and continues to this day. Fifth Third has come under fire in the past for its lack of bank branches in low income areas of the city, as well as its lack of specialized services for the Latino population (Business Courier of Cincinnati 2006). Since these complaints, the bank has hired an ad agency specifically for outreach within the Latino community and has developed relationships with many minority organizations and businesses (Business Courier of Cincinnati 2006). Recently, Fifth Third held a symposium called “Voices of Leadership: Winning through Diversity” to create dialogue on the benefits of diversity within business (May 2008).

Diversity at Fifth Third extends beyond race relations to those with disabilities. Fifth Third provides space for a Project SEARCH office to be located at its headquarters downtown. This program, operated by a collaboration of several community organizations, provides life skills and professional training for individuals with significant disabilities. The Fifth Third training center has led to several individuals transitioning into positions with the company (Jark 2009).
In addition to working in the areas of education and diversity, Fifth Third is very active in community physical and economic development. Most of this work happens through the Fifth Third Community Development Corporation. This organization has invested over $1 billion throughout the Fifth Third service area since its inception in 1989 (Business Courier of Cincinnati 2007). Among the Cincinnati projects receiving funds, were the Art Academy of Cincinnati’s move to Over-the-Rhine and City West, the city’s Hope VI development. Additionally, the Fifth Third CDC was a 2007 recipient of $100 million in New Market Tax Credits from the U.S. Treasury Department (Business Courier of Cincinnati 2007).

2. The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.

The community has a strong voice in Fifth Third’s community involvement initiatives mentioned in criterion #1. The bank has organized a Community Advisory Forum that meets quarterly to discuss community investment opportunities and directions. This board is comprised of representatives from local nonprofit, small-business, real estate and community interest groups (Business Courier of Cincinnati 2005).

Within the company, diversity boards and business resource groups have been organized to ensure that a wide range of views are brought to the table. These groups not only help find areas for outreach within the community but help ensure diversity within the bank (Fifth Third Bank 2009).

In addition to information about the bank’s activities, the company’s website includes a wealth of information for investors, community members, and other interested parties. This
information includes company fact sheets, government filings, annual reports, and community investment activities and contacts.

3. *The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.*

   In 2006, Fifth Third invested over $20 million to renovate both Fountain Square and its headquarters adjacent to the Square. This renovation includes dynamic lighting displays and a public art installation by a renowned artist (*Business Courier of Cincinnati* 2006). Additionally, the first floors of the Fifth Third buildings have been rehabbed and now house a variety of restaurants, helping to create a lively atmosphere on the Square.

   The bank has come under scrutiny in the past because of the low number of bank branches located in low-income communities, with a significantly lower ratio of branches in low-income zip codes than in others (*Business Courier of Cincinnati* 2006). These concerns have not been raised recently but it remains unclear whether this problem was adequately handled. It is encouraging, though, that the bank continues to receive a high CRA ranking.

   To reach its minority business spending goals, Fifth Third has developed an easy to use supplier diversity program. Certified minority-owned and women-owned business enterprises (MBE/WBEs) can register on the company’s website to be on the list of potential clients in the supplier diversity program. Additionally, the company has a supplier diversity team leader to assist MBE/WBEs throughout the process (Fifth Third Bank 2009).
4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

The two major programs implemented by Fifth Third to encourage charitable giving are a matching gifts program and the annual United Way and Fine Arts Fund campaigns. The matching gifts program provides a 1:1 matching gift for donations to education up to $500 per school and $1500 per year (Jark 2009). Additionally, the company-led United Way campaign is very successful raising over $3 million for United Way of Greater Cincinnati in 2007 (United Way of Greater Cincinnati 2008).

Fifth Third also encourages employee volunteerism within the company. The company supports employees organizing teams in the workplace by working with employees if they need to adjust their work schedules for a volunteer event. The company also participates in United Way Community Care Days, organizing teams of volunteers to help the community (Jark 2009).

In-kind donations are also a part of Fifth Third’s commitment to the community. These donations are not regular but are part of the company’s donations, for instance, when the company was upgrading their computers they donated the old computers to a local school (Jark 2009).

5. The company focuses on at least one critical community issue and uses its financial and political weight to create change.

While the company has four listed focus areas— arts and culture, community development, education, and health and human services— financial literacy is the element that is most integrated into the company. Fifth Third has developed several programs with the
explicit goal of financial literacy, such as the Young Bankers program and the eBus
Homeownership Program. In addition the company has a political action committee to
provide funding to candidates the company supports (The Center for Responsive Politics
2009).

6. *The company’s employees and managers serve on the boards of local organizations and
institutions with a willingness to be involved over time and to leverage their positions in the
company to provide creative in-kind or monetary contributions.*

   Fifth Third encourages its employees to serve on the boards of local institutions, making
special note of them in their website and annual report. Fifth Third members can be found on
the boards of many institutions across the city including institutions focused on education,
the arts, community development and poverty. For example, Fifth Third employees serve on
the boards of the YMCA, 3CDC, XU, and Cincinnati Works.

7. *The company engages its employees and customers in choosing charitable causes.*

   The most obvious way that Fifth Third engages its employees in choosing charitable
causes is its matching gift program in education. Any education-related donation by an
employee can get a 1:1 matching gift from the company.

   The Community Advisory Forum, diversity boards and business resource groups also
provide important input from the ground level of the company. Each of these panels was
assembled for a specific purpose, but all share the goal of bringing community and employee
feedback into the company’s operations. This includes the company’s community giving and
programs.
8. The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.

Fifth Third makes an effort to partner with multiple organizations with missions to create employment opportunities for underemployed members of society. Project SEARCH, located within Fifth Third’s headquarters, works with individuals with disabilities to teach job skills and also teaches employers about the viability of working with the disabled. Fifth Third also partners with Cincinnati Works who teach job skills to those in poverty (Jark 2009).

In addition to these efforts, Fifth Third partners with the NAACP, National Society of Hispanic MBAs, the National Urban League, and many more. The bank’s partnership with the Urban League includes hiring graduates from the Urban League’s Accelerated Call Center Program (May 2008).

9. The company enters joint marketing partnerships with community groups to promote socially progressive causes.

In 2004, George Schaefer Jr., president and CEO of Fifth Third, wrote an editorial for The Cincinnati Business Courier, explaining the importance of regionalism and “growing at home” (Schaeffer 2004). As president, Schaefer set the direction for the company, and with his editorial stated unequivocally that Fifth Third was committed to Cincinnati and encouraged cooperation. Additionally, Fifth Third recognizes leaders in the African American community through its annual Profiles in Courage awards (Business Courier of Cincinnati 2009).

Assessment:

Fifth Third has a strong core and focus for its community involvement activities. These are primarily centered on its financial literacy efforts. These efforts reflect many of the
contemporary best practices identified in the literature. Financial literacy is directly related to Fifth Third’s business model as a financial service provider. These efforts could help the bank through more responsible banking, while helping the community as well.

The financial literacy programs also succeed in educating the community, and not just providing a onetime gift. By educating the public about financial literacy, the bank can benefit by more responsible use and members of the community learn a new skill set that they can use indefinitely to improve their lives.

Finally, Fifth Third’s programs frequently use partnerships to create programs with the most impact. By partnering with local minority business organizations, Fifth Third takes advantage of the existing job development networks in the minority community. The bank goes beyond local networks and incorporates national financial literacy programs for adults into its local Young Bankers program for children. By combining these two programs, the bank succeeds in having an even greater impact.

One area where Fifth Third could improve is tailoring its good and services to meet the specific demands of the minority communities in which it operates. While the CRA ratings give Fifth Third bank a high score, no information provided shows that the bank carefully considered the unique demands of these minority populations.

Overall Fifth Third appears to be a committed and active community member. This attitude seems to exist from the top of the company all the way to the bottom. Community members and employees have opportunities to help direct the efforts of the company, providing first-hand feedback from the community. The bank’s efforts also align closely with its business model, allowing the company to play to its strengths and get the most out of its efforts.
**Kroger Company**

Type: Grocer

Headquartered: Cincinnati, OH

In Cincinnati since: 1883

2006 Downtown Cincinnati employment rank: 1

2008 Fortune 1000 rank: 26

CSR Focus areas: Hunger relief, Women’s health, Grassroots community support, Education, Diversity

**Introduction:**

The Kroger Corporation is the nation’s second largest grocer and the Tri-State’s largest employer, with 14,000 regional employees. The company has been serving Cincinnati since its founding in 1883. Kroger’s community involvement comes through the corporation, the Kroger Foundation and customer support in the areas of hunger relief, women’s health, grassroots community support, education, and diversity.

The Kroger Foundation was founded in 1987 to support charitable efforts in the communities it serves. The foundation is committed to the community, requiring giving requests to come from operating divisions within the company and only sponsoring organizations in the locale where the division operates. These steps ensure that Kroger is engaged in each of its communities of operation. The foundation’s efforts overall and in Cincinnati can be seen below. If we assume that 2005 was an average year, 2007 stands out as an anomaly for the foundation.
Overall spending increased while the foundation’s Cincinnati giving dropped significantly. It will be important to monitor giving in 2008 and beyond to understand better if the company’s direction in the city has shifted.

![Kroger Foundation Giving](graph.png)

*Data not available
Source: IRS 990 Documents

**Social Venture Network Community Involvement Criteria:**

1. *The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.*

   Kroger aims to improve community health primarily through hunger relief. Kroger’s hunger relief programs focus on a partnership with Feeding America (Formerly America’s Second Harvest). From 2001-2005 Kroger donated over 120 million pounds of products *(Business Courier of Cincinnati 2005)*. In addition to product donations, Kroger also provides grants to local food banks to improve their operations. The company’s efforts have
been recognized by Feeding America on several occasions with the company being named Retailer of the Year by Feeding America five times between 2001 and 2007 (The Kroger Company 2009). In Cincinnati, the Freestore Foodbank is part of the Feeding America network.

Kroger also contributes to community health and education through its website. Kroger provides information, tips, and expert advice for health, nutrition, sustainability and fitness for children and adults. These educational initiatives go even further with Kroger providing grants and product donations to schools (The Kroger Company 2009).

Kroger also has initiated a company-wide effort called STAR to increase workplace safety. Between 1999 and 2007 the company recorded a 42% reduction in workplace accidents leading to recognition within the industry as one of the safest places to work (The Kroger Company 2008). The company’s diversity efforts have resulted in over $1 billion spent in 2007 with minority suppliers and include partnerships to increase minority hiring (The Kroger Company 2009).

2. *The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.*

Kroger offers information about its products, labor contracts, investor information and community involvement. Additionally, Kroger informs its customers about healthy lifestyles including nutritious recipes and fitness. This information is provided by experts as a way to help customers make healthy choices (The Kroger Company 2009).

Kroger also recognizes the importance of minority business to the company. Particularly in diverse urban locations, minority communities exist in large enough numbers to warrant
attention. By serving these populations, the company increases its market share and better serves the community. In 2008 Kroger created a position of Director of Multi-Cultural Business Development to address these particular issues (The Kroger Company 2009). Additionally, Kroger has developed a line of products called Buena Comida for Hispanic customers and stocks unique goods in stores serving large Hispanic populations (Monk and May 2003).

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.

Kroger’s headquarters is located at Vine Street and Central Parkway at the northern edge of Cincinnati’s Central Business District. In 2003, the company considered relocating its headquarters unless a parking garage for employees could be built near the headquarters. Once the city contributed $21 million towards the project the company remained downtown (Business Courier of Cincinnati 2003).

Kroger operates many groceries stores throughout the city, including a store in Over-the-Rhine. This neighborhood, located directly north of downtown, is considered one of the worst in the region. Kroger not only operates a store in the neighborhood but in 2002 the company invested $1 million to renovate the store (Business Courier of Cincinnati 2002). Urban grocery stores often are rare in medium-sized cities so Kroger’s investment in Over-the-Rhine is noteworthy. Kroger also operates a production center in the Cincinnati suburbs.

Kroger also uses its procurement practices to invest in minority communities. Kroger created a Supplier Diversity Program in the early 1980s and in 2007 the company contracted over $1 billion with minority businesses, joining an elite group of companies in the Billion
Dollar Roundtable. The company also has supplier diversity champions throughout the company who help relate Kroger’s diversity goals to their departments and in turn communicate with Kroger on diversity in the workplace (The Kroger Company 2008).

4. **The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.**

   Kroger’s charitable giving falls under the banner of the company’s Neighbor to Neighbor program. This provides insight into the attitude of Kroger’s giving and its focus on the local community. The Neighbor to Neighbor program focuses on hunger relief, women’s health, grassroots community support, education, and diversity. In 2004 the program donated $7 million in the Cincinnati region (*Business Courier of Cincinnati* 2005). Kroger is also a contributor to Cincinnati’s United Way campaign. In 2007 giving to the campaign totaled over $1 million (United Way of Greater Cincinnati 2008).

   Kroger also makes use of its role in food production and distribution donating millions of pounds of products to food banks each year. In 2007, when food banks across the country were facing unprecedented shortages, Kroger increased its giving and also encouraged customers to give through expanded in-store campaigns (*Business Courier of Cincinnati* 2005). Kroger’s in-kind contributions expand beyond food, with weekly flower donations to local hospice patients (Randolph 2009) and gift cards for military families during the annual Toys for Tots campaign (*Business Courier of Cincinnati* 2009). Kroger also helped a local charitable pharmacy startup by providing shelving, equipment and funds (Ritchie 2006).
5. The company focuses on at least one critical community issue and uses its financial and political weight to create change.

Kroger has five focus areas for its community efforts—hunger relief, women’s health, grassroots community support, education and diversity. Of these areas, hunger relief sticks out as the company’s primary focus. The company has a long standing partnership with Feeding America and has been recognized several times by the organization as America’s top retailer.

Kroger’s efforts in its other focus areas include providing grants to local chapters of the American Heart Association and the Susan G. Komen Race For the Cure to support women’s health (The Kroger Company 2009). Local communities also benefit from rebate programs for local nonprofits, and grants to events like the Neighborhood Blitz program in Cincinnati (Business Courier of Cincinnati 2008). Kroger also is a partner with Salvation Army, providing a location for bell ringers during the holidays, both in stores and online. The company also supports education through grants to local schools.

An example of the company using its political weight to create change is Kroger’s effort to repeal Cincinnati’s gay rights ban (May and Monk 2004). This effort coincides with the company’s efforts to increase diversity. While many of these efforts have focused on minorities and women, these efforts shows the company is committed to all kinds of diversity. In addition the company has a political action committee to provide funding to candidates the company supports (The Center for Responsive Politics 2009).
6. *The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.*

Kroger employees are very involved on boards in the local community. In addition to involvement with boards related to education, economic development and the arts, former Kroger employees also serve in notable positions in local organizations. Former CEO Joe Pichler is an instrumental part of 3CDC and has demonstrated his commitment to helping redevelop the community (May 2006). Another example of a former Kroger employee’s involvement in a local organization is Dick Bere, a former Kroger president who is now the full-time volunteer COO with Crayons to Computers, a local organization that provides free school supplies to teachers in low-income schools (May 2004). These two examples demonstrate Kroger’s commitment to the community— one that continues even after employees leave the company.

7. *The company engages its employees and customers in choosing charitable causes.*

Kroger involves employees and customers in many campaigns sponsored by the company. All corporate giving is initiated at the local level with input from customers and employees. Customers who are interested in assisting the Freestore Foodbank can add a donation onto their bill through coupons placed at Kroger checkouts (Norris 2008). Additionally, the company regularly has food drives at its stores. The company’s partnership with the Salvation Army also allows customers to involve themselves in the giving campaign if they so choose. In 2008 customers gave $10.6 million to support the campaign, 8% of the organizations nationwide total (The Kroger Company 2009).
Kroger also promotes breast cancer awareness through the exclusive sale of pink packaged grocery items, donating proceeds from each sale to support breast cancer research. The campaign also recognized survivors from the Kroger organization by highlighting them on Kroger products, putting a face on the campaign. In 2008 the campaign raised over $3 million for local breast cancer organizations (The Kroger Company 2008). The company also supported community health in 2006 by encouraging customers and employees to take part in surveys sponsored by the Citizens’ Health Care Working Group in an effort to improve healthcare across the country (Business Courier of Cincinnati 2006).

8. The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.

Diversity is one of Kroger’s focus areas and the results can be seen throughout the company. In 2006 the company created the position of Chief Diversity Officer to direct hiring, training and retaining a diverse workforce. These efforts include diversity training to all associates and inclusion councils to promote diversity. Kroger’s managers also are required to report annually on both recruitment and promotion of minorities and women (The Kroger Company 2008). Additionally, Kroger works with local minority chambers of commerce to provide job skill training to members of the minority community (Verna 2003).

9. The company enters joint marketing partnerships with community groups to promote socially progressive causes.

Kroger partners with many national organizations with local affiliates to achieve its goals in the areas of hunger relief, women’s health, grassroots community support, education, and diversity. These partnerships include Feeding America, to fight hunger, the Salvation Army, to address community needs, and the Susan G. Komen Race For the Cure, to support
women’s health. Another unique partnership is with the National Center on Addiction and Substance Abuse to support Family Day – A Day to Eat Together with Your Children (The Kroger Company 2008). This partnership promotes stronger families and, in turn, stronger communities.

Assessment:

Kroger has been part of community life in Cincinnati since 1883. The company’s major giving contributions are related to hunger relief, closely related to the company’s business practice. Each year Kroger donates millions of pounds of food to feed the needy in communities around the country, including in Cincinnati. Although many organizations the company partners with are national organizations, the giving is focused locally, with local chapters receiving grants from the company. The company also has shown a recognition of the need to tailor goods and services to the local community, paying attention to the unique market at each store. This includes the development of goods directed toward the Hispanic community. One program which has the potential to meet a great need in urban communities is Kroger’s recent partnership with the Little Clinic LLC to install clinics in its stores (The Kroger Company 2009). Currently the only stores in Cincinnati with clinics are in the suburbs.

Kroger’s focus on education is a bit more of an unknown than some of its other focus areas. The company donates about $500,000 a year to education but its impact in Cincinnati is not well documented (The Kroger Company 2008). Education was identified as a best practice in recent corporate social responsibility literature, owing to its ability to improve the life of an individual and not just relieve their immediate condition. Kroger often partners with local and national institutions to leverage its giving and has enabled many organizations to better meet their goals.
Macy’s, Inc.

Type: Department store

Headquartered: Cincinnati, OH

In Cincinnati since: 1945

2006 Downtown Cincinnati employment rank: 11

2008 Fortune 1000 rank: 91

CSR Focus areas: Education, Arts/culture, Women's issues, HIV/AIDS, Youth and Minorities

Introduction:

Macy’s history in Cincinnati starts with the John R. Shillito Company in 1837. Shillito’s eventually became part of Lazarus and, in turn, Federated Department Stores. Federated Department Stores, a holding company for department stores, moved its headquarters to Cincinnati in 1945, creating the foundation for what is now known as Macy’s Inc. With a history of mergers, acquisitions and rebrandings within the department store industry, Macy’s long history in Cincinnati is notable. The company’s corporate headquarters is located in the city with most of its design work located in New York City (Macy's Inc. 2008).

The company’s giving occurs through the corporation, the Macy’s Foundation and through employee and customer giving. In 2007 these gifts totaled $78.4 million (Macy's Inc. 2008). The figure below shows the company’s foundation giving from 2003 to 2007. In recent
years the foundation has grown greatly, possibly due to the acquisition of Macy’s Inc. Giving in Cincinnati also has increased though to a much smaller degree.

Social Venture Network Community Involvement Criteria:

1. *The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.*

Macy’s programs to improve community health include partnerships with local and national organizations in the areas of HIV/AIDS and women’s health. The company also focuses in the areas of education and youth as well as in diversity and the arts. Many of these initiatives are channeled through in-store programs like Go Red for Women, Shop for a Cause and Thanks for Sharing. The other major method of Macy’s programs involves customer volunteer efforts. Volunteers work in all of Macy’s focus areas with the largest
percentage giving their time to education, a program which is encouraged by Macy’s through cash incentives. Macy’s Foundation also works with local communities to provide grants in Macy’s focus areas (Macy's Inc. 2008).

2. *The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.*

   Macy’s provides information about the company’s news, investor information, and annual reports, as well as information on how the company addresses issues of social responsibility, leadership, and corporate philosophy. In addition to working with minority suppliers, the company recognizes the importance of minority communities. To better reach out to minority populations, the company works with a Hispanic ad agency to promote the store (*Business Courier of Cincinnati* 2005).

3. *The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.*

   Macy’s headquarters is located in downtown Cincinnati. Recently the company looked to the city and state to approve tax credits to grow its employees at the downtown location. The tax credits total $1.3 million and the company plans to add 125 jobs. This addition comes as the company is eliminating 7,000 jobs around the country. Under terms of the agreement the company would be required to maintain 781 jobs in the city for 12 years (Fasig 2009).

   In addition to Macy’s headquarters, the company also operates a department store at Fountain Square in the heart of downtown. This store opened in 1997 at a time when many department stores were moving out of center cities. The company renovated the store in 2006
to meet the needs of downtown customers better. At the time, Macy’s said that it was updating the store to be a good community partner and do its part to help revive downtown (Fasig 2006).

Macy’s also is committed to using its procurement practices to encourage minority-owned companies. As part of the company’s Holistic Plan for diversity is a focus on vendor diversity. The company has a supplier diversity program for minority- and women-owned businesses. On June 17, 2007 the company held its first-ever national supplier diversity fair (Macy's Inc. 2008). The company also supported the development of a local diversity business journal (Armstrong 2007) and sponsored a book written about the development of Cincinnati’s Minority Business Accelerator (May 2003).

4. **The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.**

Macy’s focuses its corporate giving at the regional level, requiring that all organizations contact their regional contact to be able to apply for grants. The foundation’s giving is focused on education, arts/culture, women's issues, HIV/AIDS, and programs to assist youth and minorities (Macy's Inc. 2008). In addition to these focus areas Macy’s and its employees gave over $2 million to United Way of Greater Cincinnati in 2007 (United Way of Greater Cincinnati 2008).

In addition to its foundation giving, Macy’s is very committed to employee volunteerism. Macy’s volunteer program is called Partners in Time and has been an important part of the company’s efforts in local communities since 1989. Volunteers give their time in several areas including education, health and hunger. Started in 1998, Macy’s Bag Hunger campaign
encourages employees to combat hunger in their communities. The event is scheduled to coincide with summer when children aren’t able to receive free lunches from school. As an example of the creative fundraising directed towards this cause, Cincinnati Macy’s employees brought in brown bag lunches and donated their lunch money to the Freestore Foodbank. The company again showed its support for volunteerism in Cincinnati during a 2004 campaign called Improve the Game of Life. Almost half of Macy’s corporate workforce was granted release time from work to work on community projects (Macy's Inc. 2008). These efforts have not gone unnoticed. In 2005 the company received a national award for Excellence in Workplace Volunteer Programs (*Business Courier of Cincinnati* 2005).

5. *The company focuses on at least one critical community issue and uses its financial and political weight to create change.*

Macy’s giving focus is in education, arts/culture, women's issues, HIV/AIDS, youth and minorities. In addition to the financial gifts given to these efforts across the country, Macy’s occasionally involves itself in political issues, though the Macy’s Foundation does not award gifts to political organizations (Macy's Inc. 2008). In 2004 Macy’s contributed to the campaign to repeal a Cincinnati law that prevented protection for homosexual rights (May and Monk 2004). This effort demonstrated Macy’s commitment to diversity.

6. *The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.*

Macy’s employees do more than just serve on local boards; they often are leaders in some of Cincinnati’s largest and most influential organizations. Macy’s employees have chaired campaigns for the Fine Arts Fund (*Business Courier of Cincinnati* 2009) and United Way
(Business Courier of Cincinnati 2007), the company loaned an executive to The Women’s Fund of the Greater Cincinnati Foundation (Business Courier of Cincinnati 2007), helped steer 3CDC on its path to success (May 2003) and had a hand in organizing Cincinnati Action Now’s programs for low-income preschoolers (Business Courier of Cincinnati 2003). Macy’s also is part of the national Committee Encouraging Corporate Philanthropy (Norris 2008).

7. The company engages its employees and customers in choosing charitable causes.

Many of Macy’s community efforts involve company volunteers and cause related marketing encouraging customers to give. Macy’s education initiatives include Earning for Learning. This program encourages employees to engage their communities through volunteering in schools. The company rewards these employee volunteers by providing an additional grant of $250 to the school. The company also has a 1:1 matching gifts program for employee donations to nonprofit organizations (Macy's Inc. 2008).

Perhaps the most significant focus of Macy’s giving is enabling its customers to give back. These programs include the company’s sponsorship of the Go Red for Women campaign with the American Heart Association. Customers wearing red one day per year receive discounts in Macy’s stores and those not wearing red are able to make a donation to the cause to receive the discounts. Efforts in women’s health also include collaborations with several suppliers to sell special pink goods to raise money for breast cancer research (Macy's Inc. 2008).

The company also supports youth development through encouraging customers to give to Reading is Fundamental. This effort also includes an effort by Macy’s to develop
multicultural resources to distribute to local Reading is Fundamental programs (Macy's Inc. 2008).

While these consumer-driven campaigns are for national organizations with Cincinnati connections, two additional programs specifically focus giving locally. One day a year Macy’s sponsors Shop for a Cause. During the Shop for a Cause campaign, local charities sell discount tickets to Macy’s and keep the proceeds. Another program, Thanks for Sharing, sells discount cards to Macy’s for use during the holiday season and provides a gift to a local charity for each card sold (Macy's Inc. 2008).

8. **The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.**

Macy’s prides itself on being a diverse company. Women represent 75% of the workforce and 68% of the management within Macy’s and almost 50% of the workforce is made up of minorities. Macy’s also encourages diversity by supporting the United Negro College Fund, Hispanic Scholarship Foundation and the Asian and Pacific Islander American Scholarship Fund (Macy's Inc. 2008). The company also partners with outside agencies to encourage a diverse workplace, for instance by being an early participant in Monster.com’s minority inclusion efforts (*Business Courier of Cincinnati* 2003). Macy’s provides diversity training and supports many diversity groups within the company. In 2004 the company was named one of the Top 50 Companies for Diversity by DiversityInc (Macy's Inc. 2008).

9. **The company enters joint marketing partnerships with community groups to promote socially progressive causes.**

In addition to the collaborations already discussed in the areas of hunger alleviation, women’s health and diversity, the company collaborates with other organizations to improve
the implementation of its community programming. To assist efforts to fight HIV/AIDS locally Macy’s has given money for testing and, nationally, has sponsored events to increase awareness among youth (Macy's Inc. 2008). To promote diversity, Macy’s has supported the River Front Classic, a football game in Cincinnati among historically black colleges (May 2004), and sponsored the Freedom Sisters exhibit, which toured nationally and debuted in Cincinnati, celebrating important females from the civil rights movement (Business Courier of Cincinnati 2008). Macy’s also has partnered with organizations to support the Cincinnati community, as a sponsor for the Growth and Opportunities Study (May 2008), as well as Out of the Crossfire, an initiative to council victims of gunshot wounds (Ritchie 2006). Macy’s also has partnered with the Community Wealth Collaborative to empower local nonprofits through assistance in developing business ventures (Business Courier of Cincinnati 2005).

Assessment:

Macy’s has a long history in Cincinnati and has persisted through a series of mergers, acquisitions, hostile takeovers and bankruptcies. With many fashion companies located in cities like New York and Los Angeles, it is notable that Macy’s has remained committed to Cincinnati. In a 2003 article titled “Federated can’t forget home”, the Cincinnati Business Courier discussed Macy’s potential dual loyalties– Cincinnati and New York– before ultimately recognizing Macy’s commitment to the city (Business Courier of Cincinnati 2003).

Macy’s employs many unique programs and campaigns that leverage the company’s dollars and products to create a large impact for the organizations the campaigns support. These partnerships integrate Macy’s business strategy and community involvement. In addition to these campaigns, the company also has modified its downtown store in an attempt to better address the needs of the downtown clientele. Other efforts to meet the needs of a more diverse urban
population were not found. The company lists a focus area in education but these efforts in Cincinnati were difficult to ascertain.
National City Corporation

Type: Financial Services

Headquartered: Cleveland, OH

In Cincinnati since: 2004 (previously locally owned Provident Bank)

2006 Downtown Cincinnati employment rank: 15

2008 Fortune 1000 rank: 226

CSR Focus areas: Education, Arts and culture, Civic affairs and Human services

Introduction:

Cleveland-based National City Corporation entered the Cincinnati market through an acquisition of Cincinnati-based Provident Bank in 2004. The bank, which prides itself on community involvement, began working in the city as soon as it entered the market. The company’s Cincinnati efforts are not as developed as its efforts in other cities. An evaluation of the company’s efforts in Ohio reveals much more information about activities in Cleveland, Columbus and Dayton than in Cincinnati. In 2008, National City was purchased by Pittsburgh based PNC Bank. Currently National City still exists but in the near future it will be converted to PNC. PNC, which also operates branches in Cincinnati, has committed to maintaining National City giving levels in its newly acquired markets (Business Courier of Cincinnati 2008).

National City’s foundation giving is shown in the figure below. It can be seen that National City gave very little before acquiring Provident Bank. In 2005 the company gave about
$2.7 million and in 2006 gave about $1.7 million. These numbers may not be indicative of future giving as a result of the PNC acquisition.

As a banking institution, National City is encouraged through the Community Reinvestment Act of 1977 to ensure that all communities have access to adequate banking services including access to loans. In 2007 the bank originated 99 small business loans worth about $10.5 million in Hamilton County census tracts below 50% of the county median income (FFIEC 2009). National City maintained a CRA ranking of “Outstanding” before its acquisition (The PNC Financial Services Group, Inc 2009).

Social Venture Network Community Involvement Criteria:

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.
National City is very involved in community building efforts. This includes efforts to improve College Hill’s business district (Business Courier of Cincinnati 2004), to support law related community projects (Business Courier of Cincinnati 2005) and to provide relief for those affected by the economic downturn (Business Courier of Cincinnati 2009). In addition to these efforts, National City has several projects related to home construction in the city. These include construction and renovation of affordable housing (Business Courier of Cincinnati 2008), educating minority home buyers (Verna 2005), providing a low down payment initiative to assist low and moderate-income homebuyers (Business Courier of Cincinnati 2005), and encouraging market-rate housing in the city (Business Courier of Cincinnati 2003). These efforts are undertaken by both the company and the National City Development Corporation. This latter organization whose purpose is revitalization of low- and moderate-income communities, has a Cincinnati advisory board to steer its local activities (Business Courier of Cincinnati 2004).

In addition to community building efforts, National City has signed on as the first major bank to participate in SaveNOW, an Ohio program that rewards account holders for financial education (Business Courier of Cincinnati 2009). To support diversity, National City has worked with the Port Authority of Cincinnati to provide gap financing for minority businesses (Business Courier of Cincinnati 2008) and also has supported the Safe Passage program to provide escorts for Cincinnati area Russian emigrants (The PNC Financial Services Group, Inc 2009). National City’s efforts also include local projects to promote community health. The company provided funding to support breast cancer screenings for the uninsured in Over-the-Rhine and also sponsored events to promote breast cancer awareness at Cincinnati Bengals games (The PNC Financial Services Group, Inc 2009).
National City also provided funding for Starfire, a Madisonville nonprofit that serves disabled teens and young adults (*Business Courier of Cincinnati* 2006).

2. *The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.*

   National City’s website provides information on the company’s news and investor information as well as annual reports about National City’s community efforts broken down by state and topical area. National City also provides information about diversity within the company, careers and information about the company.

   National City also shows its supports for stakeholders by supporting financial education initiatives. These efforts in Cincinnati include a $25,000 donation to Su Casa to fund seminars on home buying for the local Latino community (Verna 2005). In addition the company is the first participating bank in the Ohio SaveNOW program, which rewards customers for taking courses for financial education (*Business Courier of Cincinnati* 2009).

3. *The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.*

   National City operates two offices in downtown Cincinnati. One building is located in the central business district and the other is in Queensgate. The company recently purchased land to expand its data processing center in Queensgate with an anticipated addition of 75 to 125 jobs (Lemaster 2009). While the ordinance required from the city was approved after the PNC acquisition, PNC has not made a comment on the status of the project. National City also operates several bank branches throughout the city.
National City also is committed to supplier diversity. The company operates a supplier diversity program for women-, minority-, and veteran- (MWVBE) owned businesses. In addition to these efforts, the company partners with many MWVBE organizations to identify sourcing partners and assist member businesses by providing free or discounted services (The PNC Financial Services Group, Inc 2009).

4. *The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.*

National City recognizes itself as a community leader since it is such a large corporation. One way the company serves local communities is through charitable giving through the National City Charitable Foundation. In 2006 the foundation gave $1.7 million in Cincinnati. The company also is a contributor to United Way, giving almost $550,000 in 2007 (United Way of Greater Cincinnati 2008).

National City employees do a lot of volunteer work. In 2006 they contributed approximately 445,375 hours in the communities National City serves. The company’s 2006 annual report, which provides examples of volunteer efforts in arts and culture, community revitalization, education, health and human services, honoring heroes, and several other spotlight areas, only lists efforts with the Flying Pig marathon as employee volunteer efforts in Cincinnati (The PNC Financial Services Group, Inc 2009).

5. *The company focuses on at least one critical community issue and uses its financial and political weight to create change.*

National City lists education, arts and culture, civic affairs and human services as its primary community giving areas (The PNC Financial Services Group, Inc 2009). In
Cincinnati most of the company’s efforts are in housing and community development. These efforts include funding both market-rate and low-income housing within the city of Cincinnati, where developers have been slow to redevelop. National City also has assisted neighborhoods with planning efforts and homeowner education. In addition, the company has a political action committee to provide funding to candidates the company supports (The Center for Responsive Politics 2009).

6. *The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.*

   While some instances of National City employees’ involvement were found (Talbert House, Cincinnati Opera, Ronald McDonald House) the company is less involved than many of the other companies studied in this report. Notably, the company is not present on the boards of local development organizations like 3CDC and Downtown Cincinnati Inc., whose missions relate well to the company’s community involvement activities.

7. *The company engages its employees and customers in choosing charitable causes.*

   National City has a 1:1 matching gift program for employee donations to educational institutions. In 2006 this totaled almost $2 million in matching gifts from the company. The company also uses its position as a banking institution to engage the community, with local leaders allocating company funds to have the most impact (The PNC Financial Services Group, Inc. 2009).

8. *The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.*
National City is an equal opportunity employer. The company further supports a diverse workforce through their Department of Diversity and Inclusion. This department develops relationships with minority business organizations, supports the development of affinity groups and organizes a companywide development council (The PNC Financial Services Group, Inc 2009).

9. *The company enters joint marketing partnerships with community groups to promote socially progressive causes.*

National City often partners with community groups to promote causes related to education, arts and culture, civic affairs and human services. In addition to its efforts to promote home ownership, breast cancer research and diversity discussed in criterion 1, National City also funded a program to council gunshot victims (Ritchie 2006). The company also partners with the Cincinnati Bengals, using this partnership to promote healthy lifestyles and youth sports programs in area schools (*Business Courier of Cincinnati* 2005).

**Assessment:**

National City has a reputation as an active community bank. The bank has only been a part of the Cincinnati market only since 2004, and its efforts in the city seem to reflect this new relationship. The company has begun to impact the city more with efforts to build housing, provide financial education and support of community events. Many of these efforts align closely with the bank’s business model related to mortgage lending and also reflect a desire to educate the community. Almost every action the bank is involved in is some sort of partnership, leveraging the company’s unique knowledge to provide a significant impact in a program or organization. Additionally, National City’s efforts to work with the Latino community show that the bank understands the diverse nature of Cincinnati’s urban population.
While National City appears to get it right when it is involved with community activities, the company is noticeably absent from community boards within the city. It also appears that in relation to National City’s Ohio activities, Cincinnati receives much less attention and support than other locations. This may be because of the company’s relatively recent history in the community. Hopefully, the efforts undertaken by National City over the last five years will continue and expand under PNC.
**Procter & Gamble**

Type: Consumer products

Headquartered: Cincinnati, OH

In Cincinnati since: 1837

2006 Downtown Cincinnati employment rank: 2

2008 Fortune 1000 rank: 23

CSR Focus areas: Improving life for children (0-13) in need

**Introduction:**

Procter & Gamble was founded and remains based in Cincinnati, Ohio. The company is the largest consumer product manufacturer in the United States with 23 brands earning over one billion dollars. The company also has expanded worldwide operations and has over 138,000 employees working in 80 countries. As the company has grown worldwide it has also grown locally, creating several operations throughout the region. (Procter & Gamble 2009).

Procter & Gamble’s giving focus is improving life for children in need. This objective is framed through the company’s Live, Learn, and Thrive campaign. While this campaign is a global initiative, the graph below shows that Procter & Gamble is still committed to Cincinnati with about half of its annual giving in Cincinnati. The Procter & Gamble Fund gives over $20 million a year with about $11 million a year to Cincinnati organizations. These organizations
expand beyond children to create a more attractive, livable community for company employees and Cincinnati residents.

Social Venture Network Community Involvement Criteria:

1. *The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.*

   Procter & Gamble’s Live, Learn & Thrive global corporate cause focuses on improving life for children in need. The company’s efforts in Cincinnati expand this cause greatly into efforts to encourage economic development, diversity and education.

   The company has been a part of many initiatives targeted towards small business growth in the community, particularly minority/women-owned businesses. In 2003, P&G sponsored 10 startups to participate in the e-Coach program that the company helped start. This
program provides online business curricula and coaching for minority businesses (*Business Courier of Cincinnati* 2003). The company also sponsored a book written about the development of Cincinnati’s Minority Business Accelerator (May 2003). Further assistance for minority businesses came in 2004 for the Contractors Technical Support Center. This program sought to increase the capacity of local minority companies to enable them to qualify for minority construction contracts (Mullins 2005). Procter & Gamble also led the drive to create CincyTech USA, a technology-based business incubator (Baverman 2008).

Procter & Gamble is active in encouraging growth and improving the quality of life in Cincinnati in other ways as well. The company helped fund the Art Academy of Cincinnati’s move to Over-the-Rhine (May 2004). This investment in one of Cincinnati’s most distressed neighborhoods has helped encourage additional investment in the area. The company also sponsors the ‘Round Town Trolley that runs downtown during lunch in the summer. This initiative encourages downtown employees to explore the city and find new dining and shopping options (*Business Courier of Cincinnati* 2007). The company also contributes to economic development groups like the Cincinnati USA Regional Chamber (May and Monk 2009) and 3CDC (Williams 2004).

In addition to the minority business programs (previously discussed) and company diversity initiatives (to be discussed later), P&G has taken additional steps to encourage diversity in Cincinnati. In 2007 the company supported the Bridges for a Just Community study in an effort to ensure Cincinnati was welcoming for minorities (May 2007). The company also established the Young Readers Program in Cincinnati Public Schools to promote literacy for minority students (Daumeyer 2008).
The company also is active in supporting community health. In 2003 the company was part of the Bridges to Excellence initiative to reward Cincinnati’s top performing doctors with a bonus (Tortora 2003). This program seeks to reward quality and give top doctors a reason to stay in the community. P&G also has assisted the St. Vincent de Paul Charitable Pharmacy which provides care to the indigent. This pharmacy, started in 2006, is Ohio’s first charitable pharmacy (Business Courier of Cincinnati 2005). The company also gives generously to Feeding America and in 2006 was named Donor of the Year (Procter & Gamble 2009).

2. *The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.*

Procter & Gamble provides a wealth of information about the company on its website. This includes press releases and investor information, as well as information and safety data on all of the company’s products, including expert advice on their use. The company also provides information about the company’s sustainability and social responsibility initiatives (Procter & Gamble 2009).

The company goes beyond informing the community to consider how diverse communities relate to the company. Company CEO A.G. Lafley illustrated this commitment in 2005 when he discussed the unique individuals that use the company’s products and discussed the determination of the company to be in touch with the community (Biank Fasig 2005). The company does more than talk about these efforts, in 1999 P&G created the Multicultural Business Development Organization (Procter & Gamble 2009). This organization seeks to better meet the demands of Hispanics and African-Americans.
Additionally, the company has hired a local Latino marketing firm (Biank Fasig 2007) and created marketing initiatives directed towards an urban black market (Elliott 2004).

3. *The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.*

Procter & Gamble’s global headquarters is located in downtown Cincinnati. This headquarters has been expanded over the years to keep up with the company’s growth and in 1985 the company built two signature towers on the eastern edge of downtown that serve as a gateway into the city. The complex also features two blocks of landscaped gardens. In addition to the company’s downtown headquarters, Procter & Gamble operates the Winton Hill Business Center, with 1.27 million square feet of labs and offices, renovated in 2005. The company operates 6 additional facilities in the region, including its Fabric & Home Care Innovation Center, which incorporates the company’s historic Ivorydale Technical Center (Procter & Gamble 2009).

Supplier diversity also is an important component of P&G’s procurement practices. In 2008 the company spent $1.9 billion on supplier diversity and hopes to achieve $2.5 billion in spending by 2010. The corporate supplier diversity operations in the company include coaching and guidance for minority- and women-owned businesses (MWBE) (Procter & Gamble 2009). Locally, the company sponsors the Diversity Business Journal (Armstrong 2007) and in 2004 was awarded the Ohio Governor’s Minority Business Development Recognition Award for the $61 million spent that year on MWBE’s in Ohio (Procter & Gamble 2009). One example of P&G’s local commitments to supplier diversity is its 2003 $30 million contract with locally-owned minority company Valu-Pac (May 2003).
4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

Procter & Gamble certainly leads by example when it comes to corporate charitable giving. In 2006 the company gave over $11 million to Cincinnati organizations. The company and its employees giving to United Way of Greater Cincinnati totaled an incredible $13.2 million, three times what the second largest giver donated (United Way of Greater Cincinnati 2008).

The atmosphere of giving comes from the top of the organization. In 2005 A.G. Lafley, CEO, and his wife donated $1 million to United Way, stating their commitment to Cincinnati and the work of United Way (Business Courier of Cincinnati 2005). Another P&G leader, Steve Jemison, deputy general counsel, discussed the importance of commitment in giving, even as an executive who travels around the world. Jemison remains loyal to an organization with local ties, the Visiting Nurses Association (Norris 2007).

The company supports employee volunteer efforts through its Volunteer Support Program. This program helps connect volunteers with organizations in their interest areas and provides funding grants to support employees’ work. P&G also provides in-kind donations to local organizations. In 2007 cash, products and in-kind service donation totaled $100 million worldwide (Procter & Gamble 2009). In Cincinnati, one example of P&G’s in-kind giving partnerships is with Crayons to Computers. The company donates used office supplies that can be used by educators in low-income schools (May 2004).
5. The company focuses on at least one critical community issue and uses its financial and political weight to create change.

Procter & Gamble has a clear directive for its corporate cause. The company’s Live, Learn and Thrive effort focuses on improving the lives of children in need. This initiative can be seen most clearly in the company’s efforts around the world, with safe drinking water campaigns and school construction. The company’s efforts in Cincinnati take a much more diverse approach to community involvement. The company provides funds and goods to some organizations directly related to children, like Crayons to Computers, but P&G also can be found working with organizations to promote small business growth and economic development.

P&G also has voiced its opinion on critical community issues such as the repeal of Cincinnati’s Article XII which prohibited the city from protecting gay rights (May and Monk 2004). The company’s influence extends beyond the corporation through employees’ involvement on the boards of local organizations. P&G members on the board of the Greater Cincinnati Chamber of Commerce also spoke out in favor of the repeal (May 2004). Because of its far-reaching influence in the community, when Procter & Gamble speaks, Cincinnati listens. In addition the company has a political action committee to provide funding to candidates the company supports (The Center for Responsive Politics 2009).

6. The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.

Maybe the question shouldn’t be whether Procter & Gamble employees serve on local boards but rather whether there are any boards on which Procter & Gamble employees do not
serve. These efforts are supported by the company, which loans executives to community organizations such as 3CDC, the Greater Cincinnati Convention and Visitors Bureau and the Ohio Business Development Coalition (May 2005). P&G employees are very committed to the boards they serve on and provide useful insight to the organizations. For example, executive Fred Joffe suggested that Talbert House adopt a strategic plan model similar to P&Gs. The organization cites this suggestion as a key in its expansion and increased community programming (May 2006).

Often Procter & Gamble employees not only serve on boards but lead them. Former CEO John Pepper is now CEO of the Underground Railroad Freedom Center, Thomas Finn, president of Global Health Care for P&G, leads Cincinnati Aligning Forces for Quality to improve care for chronic illness (Ritchie 2007); and current CEO A.G. Lafley was chosen to lead 3CDC and has led the Fine Arts Fund (May 2003). Lafley is currently the General Campaign Chairman for the 2009 United Way Campaign. Another example of P&G employee commitment is Charlotte Otto, global external relations officer at the company. Otto was featured in a 2005 story about her overwhelming involvement in major Cincinnati initiatives. She has led the Cincinnati USA Regional Chamber, worked with 3CDC, the Hamilton County Port Authority, the Banks project, Downtown Cincinnati Inc. and others (Monk and May 2005). These are only a few examples of how Procter & Gamble’s leaders have contributed to local boards.

7. The company engages its employees and customers in choosing charitable causes.

Procter & Gamble has a 2:1 matching gift program for higher education institutions. The company also uses cause-related marketing that enables consumers to donate to related
nonprofits through the purchase of the company’s products. Customers also can choose to
give to P&G causes through links on the company’s website (Procter & Gamble 2009).

8. *The company makes a special effort to train and employ marginalized, minority, and*
*underemployed members of the local community.*

Procter & Gamble pays close attention to diversity hiring within the company. The
company has a diversity slogan of “I can be me at P&G.” The company participates in a
variety of job fairs at universities and community colleges and for minority organizations.
Once hired, P&G employees find many support systems for minority employees as well as
support organizations for women and homosexuals (May 2006). These include internal
support groups for various professional groups within the company and mentors that contact
each potential employee. This mentor serves as a business coach, provides assistance and
answers any question the new employee has about the company and community. These
internal groups are unique to each population and help meet the specific needs of that group
(Procter & Gamble 2009).

The company’s diversity efforts are fully integrated into the company, including the
Multicultural Business Development Organization. This organization partners with minority
organizations to improve education and training within minority communities, such as the
Hispanic Scholarship Fund, LULAC National Educational Service Centers, the Hispanic
Chamber of Commerce, and the United Negro College Fund. These partnerships reinforce
the company’s own diversity initiatives by ensuring high-quality minority job candidates
(Procter & Gamble 2009).
9. *The company enters joint marketing partnerships with community groups to promote socially progressive causes.*

Procter & Gamble partners in many places in the community. In addition to the partnerships already mentioned in this profile, the company partners in the areas of the arts, community and economic development.

In 2004 Procter & Gamble gave $600,000 to the Cincinnati Opera for the creation of a new opera, “Margaret Garner,” which told the story of a slave escaping to freedom. The commission coincided with the opening of the National Underground Railroad Freedom Center (*Business Courier of Cincinnati* 2004). P&G’s focus on diversity can be seen in several partnerships in the city. In addition to working with the Freedom Center, the company helped to bring the national conference for the National Society of Hispanic MBAs to Cincinnati in 2006 through its partnership with the local NSHM chapter (Verna 2005). Procter & Gamble also provided funding for the River Front Classic, highlighting two historically black universities (May 2004).

The company also has partnered to assist community development in Cincinnati. As a member of Community Investment Partners, the company funded community plans in Northside, Price Hill and Walnut Hills (*Business Courier of Cincinnati* 2003). P&G also provided funding for local public access television station CET to update its service by providing streaming online content (Baverman 2006). The company also helped bring a nonprofit consultant to Cincinnati to help improve organizational efficiency (May 2007). These efforts demonstrate the importance Procter & Gamble places on improving the local community.
Procter & Gamble is active in economic development initiatives within the city. The company sponsors the regional tourism network. Their gift increased the organization’s budget by nearly 50% (May 2006). P&G also sponsors Give Back Cincinnati which provides volunteer opportunities for young professionals (Daumeyer 2006). This commitment to engaging young professionals is important for regional growth. P&G further demonstrates this commitment through a website it created illustrating the many attractive amenities in Cincinnati. This site showed the variety of living locations in Cincinnati, from Over-the-Rhine to Hyde Park and focuses on the many entertainment options in downtown (Procter & Gamble 2009).

**Assessment:**

Procter & Gamble is Cincinnati’s largest company and its giving in the city reflects that fact. The company’s Live, Learn and Thrive campaign makes a lot of sense to its international operations but giving in Cincinnati doesn’t necessarily align with its goals to improve the lives of children. This is probably to the benefit of the city, since Procter & Gamble is involved in most aspects of the city’s community organizations. The largest beneficiary of Procter & Gamble’s giving is United Way which in 2007 received 3 times more from P&G than from any other company in the city.

Procter & Gamble’s community efforts, particularly those focused on health, align with the company’s products. This is evident by the company’s safe drinking water campaign centered on the Pur water filters. The company considers its community building initiatives in Cincinnati to be important to the company’s mission because making the city more attractive makes the company more attractive to potential employees. This enables the company to recruit the highest quality employees. Of all the companies reviewed, P&G seems to be one of the best at
understanding the need to work with local communities, particularly minority communities, to be successful. To this end, the company has created several partnerships within the minority community. These efforts include educational initiatives for minorities in Cincinnati Public Schools and training for small minority businesses.

Overall, Procter & Gamble has its fingerprints all over Cincinnati’s community organizations. The company’s overall giving and executive involvement are unparalleled in the community. Procter & Gamble fund programs throughout the city and region that make the community a more desirable place to live. The company addresses the best practices found in the literature, though sometimes their international efforts do a better job than do their local ones. While the Live, Learn and Thrive campaign combines education and the company’s products to improve the lives of children internationally, this initiative did not appear to have the same impact locally.
**Staffmark**

Type: Staffing

Headquartered: Cincinnati, OH

In Cincinnati since: 1970

2006 Downtown Cincinnati employment rank: 8

2008 Fortune 1000 rank: N/A

CSR Focus areas: Unknown

**Introduction:**

Staffmark is a staffing firm headquartered in Cincinnati, Ohio. From its founding in 1970 until February 2009 Staffmark was known as CBS Personnel Services (Staffmark 2009). The staffing company has been named one of the best places in the city to work (*Business Courier of Cincinnati* 2007), but their efforts in the community are largely undocumented. The company does not operate a charitable foundation.

**Social Venture Network Community Involvement Criteria:**

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.

   No information regarding Staffmark’s community collaborations were identified.
2. The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.

Staffmark provides news updates about the company on its website.

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.

Staffmark is headquartered in downtown Cincinnati. In 2004 the company requested $219,000 in tax breaks from the city of Cincinnati to remain in their location (Business Courier of Cincinnati 2004). At the time they considered moving operations to Northern Kentucky or Charlotte.

4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

No information regarding the company’s giving policies were identified.

5. The company focuses on at least one critical community issue and uses its financial and political weight to create change.

No information regarding the company’s community involvement focus was identified.

6. The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.

No information regarding the involvement of Staffmark employees serving on the boards of local institutions was identified.
7. The company engages its employees and customers in choosing charitable causes.

No information regarding employees’ and customers’ involvement in giving decisions was identified.

8. The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.

Staffmark is an equal opportunity employer (Staffmark 2009) but no additional efforts to employ the underemployed were identified.

9. The company enters joint marketing partnerships with community groups to promote socially progressive causes.

No information regarding Staffmark’s marketing partnerships was identified.

Assessment:

Staffmark is rated as one of the best places in the city to work but their attitude towards Cincinnati is uncertain. While the company has maintained a presence in the city since 1970, they considered moving in 2004, and no information about their community involvement was found. Efforts to contact the company went unanswered and none of the company provided information online included mention of efforts to improve the city of Cincinnati.
U.S. Bancorp

Type: Financial services

Headquartered: Minneapolis, MN

In Cincinnati since: 2001 (with roots to 1863 as First National Bank of Cincinnati)

Downtown Cincinnati employment rank: 13

2008 Fortune 1000 rank: 122

CSR Focus areas: Affordable housing and economic opportunity, Education, Artistic and cultural enrichment

Introduction:

Cincinnati’s Firstar Bank, with a history in Cincinnati dating to 1863 (Funding Universe 2008), acquired U.S. Bank in 2001 and adopted both the U.S. Bank name and headquarters in Minneapolis (Business Editors 2002). Despite the relocation of the company’s headquarters U.S. Bank maintains a large operation in Cincinnati with 3,000 employees in 2006. U.S. Bank is currently the 6th largest bank in the United States with $264 billion in assets and operations in 24 states (U.S. Bancorp 2009).

The U.S. Bancorp Foundation is the giving arm of U.S. Bank. The foundation gives roughly $20 million a year overall, and between 2003 and 2006, gave between $1 and $1.5 million a year in Cincinnati. In 2007 however, this giving dipped to only $640,000.

As a banking institution, U.S. Bank is encouraged through the Community Reinvestment Act of 1977 to ensure that all communities have access to adequate banking services including access to loans. In 2007 the bank originated 140 small business loans worth over $21 million in
Hamilton County in census tracts below 50% of the county median income (FFIEC 2009). U.S. Bank maintains a CRA ranking of “Outstanding,” both overall and within the Cincinnati MSA.

Social Venture Network Community Involvement Criteria:

1. The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.

   A focus area of U.S. Bank’s community collaborations is neighborhood enhancement. The company is a sponsor of the Cincinnati Neighborhood Enhancement Program and in 2008 partnered with the city of Cincinnati to provide $9000 in seed money to be distributed among three neighborhoods for a focused enhancement and enforcement effort. While the seed money may not sound like much, the money combined with the city’s enforcement focus was so successful it was awarded the Program of the Year award at the Neighborhoods USA Annual Conference (Business Courier of Cincinnati 2008). U.S. Bank also invested $33
million in the Cincinnati Housing Development Fund to encourage development of market rate housing in the city (Business Courier of Cincinnati 2003). In addition to these efforts the U.S. Bancorp Community Development Corporation also has invested in Cincinnati, financing a development in Camp Washington. The company approached local developer, Middle Earth Developers, to develop an urban mixed-use project implementing New Market Tax Credits (Watkins 2005). The bank also has implemented programs like the U.S. Bank SBA Community Express program to encourage business to invest in low to moderate income communities in Cincinnati (Business Courier of Cincinnati 2003).

U.S. Bank also has helped improve the quality of life in the city by sponsoring initiatives like Lily Pad. U.S. Bank and KPMG LLP sponsor the Lily Pad free wireless service on Fountain Square, making the area more attractive for community use (Business Courier of Cincinnati 2006). Additionally, U.S. Bank partnered with TANK to provide bus passes at all of its downtown locations (U.S. Bancorp 2009). This effort makes it easier for the community to take advantage of its limited public transportation options. The bank also supports young professionals in the city as demonstrated in its 2006 sponsorship of United Way’s Young Leader’s Society lunch at U.S. Bank (Daumeyer 2006).

In addition to these efforts U.S. Bank has taken steps to improve the community’s financial literacy. In 2003 U.S. Bank went to Heberle School in Over-the-Rhine to teach children about the “ABCs” of banking. This program taught kids about saving, interest and budgeting through hands-on activities (U.S. Bancorp 2009).
2. *The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.*

U.S. Bank offers a lot of information on its website for stakeholder information. In addition to investment information, the company provides overviews of several components of its community relations programs, as well as frequently updated company news (U.S. Bancorp 2009).

U.S. Bank recognizes that the needs of the community include those of low and moderate income residents. To address the unique challenges these residents face the company’s Mortgage Community Lending has programs geared especially for these individuals. U.S. Bank’s Lending Assistance Program provides additional tools to assist low and moderate income individuals and areas achieve home ownership, start a business and revitalize. Additionally, the company operates a community lending division which focuses in the development of affordable multifamily housing in distressed communities (U.S. Bancorp 2009).

U.S. Bank also recognizes the importance of Hispanic customers in urban areas like Cincinnati. The bank’s Capital! Program targets small businesses in high growth Hispanic markets, including Cincinnati (Verna 2003). The bank also addresses a need in the Hispanic community in Cincinnati through its MoneyGram program by offering low cost, simple money transfers to other countries. The company also uses bilingual ATMs and participates in the Welcome Home program to train and hire returning bilingual military personnel. In 2005, U.S. Bank sponsored an event for businesses within the region to raise awareness
about the importance of Hispanic consumers and the need to provide better services and products to benefit both the community and companies (U.S. Bancorp 2009).

3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.

U.S. Bank’s Cincinnati regional operations are run out of the U.S. Bank Tower on 5th Street in downtown Cincinnati. This building was originally built by First National Bank of Cincinnati, U.S. Bank’s predecessor. In addition to its regional office, U.S. Bank operates 49 bank branches with Cincinnati addresses including locations in downtown, Uptown and Over-the-Rhine. In 2008 the bank launched an initiative in Cincinnati called Powerbank. This program invested $3 million in Cincinnati to hire additional employees and better serve customers in the region (U.S. Bancorp 2009). In addition to holding the naming rights of the U.S. Bank Tower, the company has naming rights for the Cincinnati Coliseum, now U.S. Bank Arena, on Cincinnati’s riverfront. This partnership was initiated by Firstar Bank, prior to the company’s acquisition of U.S. Bank.

U.S. Bank also supports under-served communities through its procurement practices. The company’s supplier diversity program supports businesses owned by minorities and women (MWBE). These efforts are led by the Supplier Diversity Manager who acts as a liaison between businesses and the company. In 2007, 6% of the company’s discretionary spending was with MWBE. The company hopes to invest at least 15% in MWBE by 2011 (U.S. Bancorp 2009).
4. The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.

U.S. Bank contributes annually to United Way. The company’s campaign raised $750,000 for United Way of Greater Cincinnati in 2007 (United Way of Greater Cincinnati 2008). The company’s giving efforts are focused on affordable housing and economic opportunity, education, and artistic and cultural enrichment. In 2007, The U.S. Bancorp Foundation provided almost $640,000 in grants in Cincinnati to local organizations including the Underground Railroad Freedom Center, Habitat for Humanity and Greater Cincinnati Foundation (U.S. Bancorp 2009).

In addition to company giving, U.S. Bank encourages employee volunteerism through Development Networks that bring employees together to work on a shared cause and sponsors an annual community service initiative. In 2008 4,600 employees participated in the event (U.S. Bancorp 2009).

5. The company focuses on at least one critical community issue and uses its financial and political weight to create change.

U.S. Bank lists its giving focus areas as affordable housing and economic opportunity, education, and artistic and cultural enrichment. Of these focus areas, housing and economic opportunity stand out as the critical community issues on which the company focuses. Through efforts to provide mortgages and business loans to low- and moderate-income individuals, to partnering with developers to finance redevelopment projects, U.S. Bank has thoroughly committed to community redevelopment. In addition, the company has a political
action committee to provide funding to candidates the company supports (The Center for Responsive Politics 2009).

6. **The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.**

   U.S Bank employees and leaders can be found on many boards in Cincinnati. Employees are not just members on boards but are often leaders as well. Some examples of U.S. Bank employees serving in leadership positions with local nonprofits are the YWCA, Children’s Home, Cincinnati Aligning Forces for Quality, and Jobs for Cincinnati Graduates.

7. **The company engages its employees and customers in choosing charitable causes.**

   U.S. Bank states that they work in partnership with their employees to strengthen local communities. One factor the company considers when considering funding requests is the level of employee involvement with the effort. The company also has a 1:1 matching gift program for employee giving to nonprofits and institutions of higher education (U.S. Bancorp 2009).

8. **The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.**

   In addition to being an Equal Opportunity Employer, U.S. Bank supports diversity events with the National Urban league, National Black MBA, and National Society of Hispanic MBA. The company also partners with Inroads to help prepare talented minority students for positions in corporate leadership. Over half of the company’s workforce is women and one quarter is minorities. The company’s leadership is also diverse with 15% minority leadership
and many women leaders, including 2 of *U.S. Banker*’s “Most Powerful Women in Banking” (U.S. Bancorp 2009).

9. *The company enters joint marketing partnerships with community groups to promote socially progressive causes.*

In addition to partnerships for minority hiring, community development and financial education U.S. Bank has supported the Cincinnati Symphony Orchestra for over 30 years, and is also a partner of the Fine Arts Fund (U.S. Bancorp 2009).

**Assessment:**

U.S. Bank has remained active in Cincinnati despite its reduced importance to the company since the acquiring of U.S. Bank by Firstar Bank and subsequent move to Minneapolis. The company’s community involvement efforts focus primarily on community development. These activities include financing development projects and special programs for low- and middle-income homebuyers and small business owners. These activities all relate closely to U.S. Bank’s business activities. Additionally, the bank has several programs that specifically address the needs of minorities, low-income individuals, and urban issues. These specialized business programs have not been seen with many other companies in the city. U.S. Bank also works on financial literacy issues, although apparently not to the same degree as Fifth Third Bank. The company’s efforts with populations make use of partnerships with local, state and national governments as well as local organizations and companies.

Overall, U.S. Bank appears very committed to Cincinnati. Its community-driven efforts aim to improve the quality of life in the city through use of the company’s own expertise as a lending institution. The company has community efforts in all of the areas identified in the literature as
contemporary best techniques. One area that may benefit from additional effort is the bank’s education initiative, which seems to be less developed than other company efforts.
Western & Southern Financial Group

Type: Financial Services

Headquartered: Cincinnati, OH

In Cincinnati since: 1888

2006 Downtown Cincinnati employment rank: 17

2008 Fortune 1000 rank: 480

CSR Focus areas: Health, Education

Introduction:

Western & Southern Financial Group is a financial services corporation that operates several companies in Cincinnati with additional companies in Louisville, KY and Lafayette, IN. In addition to providing insurance, Western & Southern operates an investment management company, Fort Washington Investment Advisors, Inc., and a real estate investment and management company, Eagle Realty Group, LLC. Both of these companies and several linked insurance companies are headquartered in Cincinnati (Western & Southern Financial Group 2009).

The Western & Southern Financial Fund is the company’s giving arm. The overwhelming majority of its annual giving is in Cincinnati. While giving has fluctuated between 2003 and 2007, Cincinnati has typically received over $2 million a year from the foundation. In
2007, this annual contribution jumped to over $4 million donated. It remains to be seen if 2007 was an aberration or an indication of new giving levels for the company.

![Western & Southern Financial Fund Giving](image)

Source: IRS 990 Documents

**Social Venture Network Community Involvement Criteria:**

1. *The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.*

   The company supports diversity with its development projects through Eagle Realty. For the company’s Queen City Square project, Western & Southern made a commitment not only to use minority contractors, but also to ensure that more local companies are qualified to receive contracts. The company is achieving these goals through a partnership with Ellington Management Services (Western & Southern Financial Group 2009).
Western & Southern also supports education through an educational series called Connecting Generations. This series focuses on the challenges of caring for aging parents while also supporting a family (Western & Southern Financial Group 2009). Western & Southern partners with two schools in the Cincinnati Public School System. Both Hoffman Elementary and Withrow University High School are Partners in Education with Western & Southern. The company also awards $10,000 a year to an outstanding teacher in Cincinnati Public Schools (Western & Southern Life 2009).

The company is involved in economic development through its Fort Washington Capital Partners subsidiary. Fort Washington provides venture capital money to companies in the region for start-ups or growth. In 2008 the company announced it was raising $400 million for its 6th equity fund. Much of this money is spent locally (Watkins 2008). One example of the impact of these funds is Draper Triangle Ventures which was given seed money by Fort Washington and is now investing in local companies (Watkins 2007). John Barrett, Western & Southern’s CEO, also has aided economic development by joining the Cincinnati USA Chamber in its business recruitment efforts (Hensley 2007).

2. The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.

Western & Southern provides news updates about the company on its website as well as information on careers and annual reports (Western & Southern Financial Group 2009).
3. The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.

Western & Southern operates in several buildings in downtown Cincinnati. These operations are focused on the east side of the Central Business District and operate in many well-maintained historic midrise buildings.

The company’s real estate investment arm, Eagle Realty, also has invested throughout downtown and Over-the-Rhine. Eagle’s developments include the 580 Building, the 550 Apartments, and the Sixth & Race mixed-use development downtown and Brackett Village in Over-the-Rhine (Western & Southern Financial Group 2009). In 2003 the company assembled the Mercer Commons site in Over-the-Rhine. The company sold it to Cincinnati Public Schools in 2005 at the request of the school district. Now that it has been determined that the site will not be used for a school, it is under development by 3CDC, all made possible by Eagle’s assemblage. When discussing the Mercer Commons site, Eagle executive Tom Stapleton stated, “Because of our interest in downtown and Over-the-Rhine, we're willing to take more risk for less return than we otherwise would” (Horstman 2004).

In addition to these building efforts, Eagle also recently took over project management of UC’s Stratford Heights development which was threatening to become insolvent due to mismanagement (Monk 2006). Currently, the company is constructing Queen City Square. When completed, the new headquarters for American Financial Group will be the tallest building in Cincinnati and make a significant impact on the city’s skyline. The company did fail to develop one of the city’s most notorious unbuilt sites at Fifth and Race. After several
attempts to develop the property, including requests from the city for funding, the company gave up its development rights (May and Monk 2008).

4. *The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.*

Western & Southern gives millions of dollars to local charities each year. In addition to these efforts the company is a major contributor to United Way and the Fine Arts Fund. In 2007, Western & Southern gave over $1 million to United Way of Greater Cincinnati (United Way of Greater Cincinnati 2008).

The company also contributes to community giving through its sponsorship of the Western & Southern Financial Group Masters Tennis Tournament. While the event is held in Mason, it makes donations to Cincinnati charities. In 2007, gifts included $391,978 to Cincinnati Children’s Hospital, $57,481 to the Charles M. Barrett Cancer Center and $37,000 to the Cincinnati Recreation Commission (Western & Southern Financial Group 2009).

In addition to these efforts, Western & Southern was recognized for Outstanding Community Service in Greater Cincinnati by Volunteers of America. This award recognized the company and CEO John Barrett (Western & Southern Financial Group 2009).

5. *The company focuses on at least one critical community issue and uses its financial and political weight to create change.*

Western & Southern’s stated giving efforts focus on health and education. To this end it provides funding to universities and hospitals in Cincinnati. The company also partners with Cincinnati Public Schools to provide mentoring to children and recognition of outstanding teachers (Western & Southern Financial Group 2009). In addition, the company has a
political action committee to provide funding to candidates the company supports (The Center for Responsive Politics 2009).

6. *The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.*

Western & Southern is very active in community boards throughout the city. Two good examples of the company’s efforts come from the top of the organization. Company CEO John Barrett serves in leadership positions on the boards of the Greater Cincinnati Scholarship Association, the Medical Center Fund of Cincinnati for the University of Cincinnati, and the University of Cincinnati Barrett Cancer Center. In addition to these leadership positions, Barrett serves on the boards of the Cincinnati Arts Association, the Cincinnati Art Museum, the Taft Museum and 3CDC (Western & Southern Financial Group 2009).

Herbert Brown also sets an example for Western & Southern employees. Brown was recently elected to Western & Southern’s Board of Directors after serving as the senior vice president of public relations and corporate communications at the company. In addition to his work with company projects and programs in Over-the-Rhine, Brown serves on the boards of Good Samaritan Hospital Foundation; Family Service; and FamiliesForward. Brown also helped create the African American Leadership Initiative at United Way of Greater Cincinnati which was renamed in 2003 The Herbert R. Brown Society (Western & Southern Financial Group 2009).
7. *The company engages its employees and customers in choosing charitable causes.*

Western & Southern has a matching gifts program for employees’ gifts to higher education institutions. This effort aligns with the company’s goals of supporting education through its giving (Western & Southern Life 2009).

8. *The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.*

While no minority hiring programs or training programs were identified, the CEO of Fort Washington Investment Advisors, a subsidiary of Western & Southern, was nominated for an ATHENA award. This award recognizes individuals who show a commitment to the advancement of women in the workplace and community. John Barrett, Western & Southern’s CEO, also was a speaker at United Way’s Women’s Leadership Council Conference, encouraging and supporting women leaders in the community (Western & Southern Financial Group 2009).

9. *The company enters joint marketing partnerships with community groups to promote socially progressive causes.*

Western & Southern occasionally partners with community groups to further its community building efforts. Previously discussed is the company’s partnership to increase certified minority contractors for its Queen City Square Development. The company also sponsors the Torch Awards for Marketplace Ethics, to recognize ethical businesses in Cincinnati (*Business Courier of Cincinnati* 2005). Western & Southern also supports United Way’s Bold Fusion program for young professionals. This program is designed to develop leadership and connect young professional leaders with the community (Baverman 2006).
Assessment:

Western & Southern seems strong in some areas of community involvement and weak in others. The company appears committed to development in the city’s urban core, which is greatly needed, but at the same time does not have training programs to help redevelop the people in these areas. The company’s efforts often seem to be based on giving and not on creating partnerships and programs to coordinate the efforts of the company and community. Also, none of the company’s insurance offerings stood out as being particularly tailored to the diverse, unique challenges facing an urban population.
Analysis & Findings

This study sought to answer three research questions:

- Are large companies in Cincinnati addressing Social Venture Network’s community involvement expectations?
- Do Cincinnati companies’ Corporate Social Responsibility efforts meet contemporary urban best practices?
- What are the best practices for large companies in Cincinnati with respect to urban CSR?

The first research question lays the foundation for community involvement expectations for large companies in Cincinnati. The next question provides an extra level of detail to understand how companies’ efforts relate to recent, urban-specific best practices within the framework established by the Social Venture Network standards. With the analysis provided by the first two questions, local best practices can be identified to answer the third research question.

Large Company Community Involvement

To understand how large companies in Cincinnati are addressing Social Venture Network’s Community Involvement expectations, each criterion will be reviewed with respect to the collective effort of the fifteen companies. This will serve as a supplement to the individual assessments provided in the Company Profiles section. A brief overall assessment is also included.
Social Venture Network Community Involvement Criteria:

1. *The company establishes formal mechanisms to maximize and promote two-way communication with the local communities in which it operates. Where appropriate, the company collaborates with community members to promote improvements in community health, education, workplace safety, diversity, and economic development.*

Most companies addressed criterion one. Health and education were by far the most frequently stated focus areas of companies’ community involvement efforts. Diversity was also a relatively frequently stated focus area. Economic development was not very common, although Duke Energy and U.S. Bank did specifically mention it. Workplace safety was never a stated focus area and very few companies explicitly addressed the issue.

Companies addressed education initiatives in various ways. American Financial, Cincinnati Bell, Convergys and Western & Southern partnered with specific schools in Cincinnati. The nature of these partnerships varied from spending lunch with the students to funding school improvements and mentoring students. Most companies gave to schools, often in the form of matching employee gifts. Some companies sought to educate the community on issues related to the company. This includes emergency preparedness training by insurance companies, financial literacy training by banks and energy conservation by Duke Energy. Other companies, like Kroger and Procter & Gamble, used expert advice to assist consumers while using the companies’ products.

Community health initiatives also varied but often were focused on women’s health, such as support for breast cancer research. Another common community partner was the Freestore Foodbank which provides meals to the needy. The two produce companies studied, Kroger
and Chiquita, each provided information about using the company’s products as part of a healthy diet.

Diversity efforts within the companies included hiring and procurement practices, but often also incorporated community partnerships as well. These efforts included capacity building with minority-owned companies and sponsorships of diversity initiatives in the community. The banks profiled are under more careful scrutiny than other companies to address the diversity issue. The banks must operate branches and provide loans to low income, often minority, areas within the city.

Workplace safety was rarely discussed by the companies studied. This is probably because most work is done in an office setting. Companies with more physical work components to their operations, such as Kroger and Duke Energy, addressed the issue through monitoring and employee education.

2. *The community is seen as an important stakeholder in company operations, is considered in decision-making, and kept informed of the company’s operations and plans, and of the impacts of the company’s products, services, and activities.*

   Each company reviewed kept stakeholders informed through its company website. This information typically included news, investor information, and a company overview. Some companies took additional steps to keep the community informed. Duke Energy tracks outages and Convergys provides seminars and presentations about the company and industry. Some companies took extra efforts to include the community in the decision-making process. For example, Fifth Third Bank uses regularly convened community boards to receive input from the community.
While all companies must pay attention to their consumers, a few of the companies reviewed took special note of diverse urban consumers like those in Cincinnati. Several companies created positions within the company to lead diversity actions. Kroger stocks goods designed for Hispanic customers in communities where there is a large Hispanic population, Macy’s and Procter & Gamble work with minority advertising agencies and National City and U.S. Bank both operate programs to assist minority home owners and small business owners who may not be comfortable with the U.S. banking system.

3. *The company uses its procurement and investment practices to improve local economic and social development. Where possible, it locates operations and investments in under-served communities to generate employment and training opportunities.*

   All of the companies studied have operations in Cincinnati’s Central Business District. This neighborhood, while traditionally the business center of the community, is also racially and economically diverse. Most companies operate additional facilities in the region, including company stores or production and distribution facilities. These additional facilities, which often feature lower-level jobs, are typically in suburban locations, limiting their ability to generate employment among underserved communities.

4. *The company contributes to the local community through corporate policies and programs that explicitly encourage corporate charitable giving, employee volunteerism, and in-kind contributions of goods and services to local organizations.*

   Eleven of the fifteen companies reviewed have charitable giving foundations. These companies give between $122,000 and $11 million annually to the city. Companies based in Cincinnati were more likely to give significant portions of their overall giving within the city,
though many companies based in the city gave only a small percentage of their overall contributions to Cincinnati.

The companies reviewed made up twelve of the top 25 and seven of the top 10 contributors to the 2007 United Way campaign. This unified campaign helps fund a wide variety of organizations and initiatives to improve the quality of life in Cincinnati. The campaign chair also typically comes from one of the companies reviewed.

Companies most often encouraged employee volunteerism by facilitating the process for those who are interested. American Financial, Cincinnati Bell, Convergys, Duke, Fifth Third, Procter & Gamble, and U.S. Bank all help connect employees looking to volunteer. Some companies used their internal websites to provide space for individuals to connect, while others sponsored volunteer campaigns in the community. Additionally, Chiquita, Cincinnati Bell, Duke, E.W. Scripps, Macy’s and Procter & Gamble provide incentives such as time off work or grants for employees who volunteer.

Several companies, American Financial, Convergys, Duke, Fifth Third, Kroger, and Procter & Gamble, donate used office equipment and supplies to local nonprofits. These gifts can support nonprofit operations but several companies donated to Crayons to Computers, an organization to help reduce costs to teachers in low-income schools by providing free office supplies. Additionally, many companies’ in-kind donations related directly to the companies’ products. American Financial, Chiquita, Cincinnati Bell, Kroger, Procter & Gamble, and Western & Southern all use the companies’ products, services and expertise to assist local organizations.
5. The company focuses on at least one critical community issue and uses its financial and political weight to create change.

Almost every company reviewed had a stated list of focus areas for the company’s community actions. These efforts covered topics like health, education, economic development, civic engagement and children. Very few of these stated goals relate directly to the company’s operations. Despite the fact that companies typically listed several focus areas, usually one effort stood out as the company’s major initiative.

Companies were often wary of publically involving themselves in politics although most of the companies did operate a political action committee. On one distinct occasion recently, companies were visibly active in Cincinnati political issues. Many business leaders, including several companies studied, voiced their support of a repeal of Article XII in the city’s charter which denied equal rights protection to homosexuals.

6. The company’s employees and managers serve on the boards of local organizations and institutions with a willingness to be involved over time and to leverage their positions in the company to provide creative in-kind or monetary contributions.

Taken overall, the fifteen companies evaluated are very well represented on local boards. This participation can be seen in almost every type of local organization: schools, economic development, arts, and health. These efforts often include taking leadership on boards, resulting in an even more significant impact. Cincinnati Bell, Duke Energy and Fifth Third explicitly encourage officers in the company to be active on community boards. Duke Energy offers support for organizations that have an employee on the board. A few companies, however, were much less noticeable on the boards of local organizations. These companies include Chiquita, Delta, National City and Staffmark.
7. *The company engages its employees and customers in choosing charitable causes.*

The most common way employees were engaged in a company’s charitable contributions was through matching gifts. Some companies chose to make this option available to employees giving to any nonprofit organization, while others focused the matching gift program to educational institutions. An additional way companies supported employees’ charitable causes is by making grants available to organizations with which company employees volunteer.

Companies also engaged customers in company causes through cause-related marketing and in-store promotions. Delta, Duke Energy, Kroger, Macy’s and Procter & Gamble all have partnered with organizations to facilitate customer giving. Fifth Third Bank’s Community Advisory Forum stood out as a program that engaged the community at the front end of the giving process as opposed to just encouraging customers to give.

8. *The company makes a special effort to train and employ marginalized, minority, and underemployed members of the local community.*

Every company reviewed is an equal opportunity employer. Several companies have taken additional steps to ensure that the local underserved population has employment opportunities within the company. Often, companies will employ a Director of Diversity to oversee the company’s diversity programming and may also have a diversity board to oversee and provide input on the company’s diversity initiatives. These efforts include educating the business community on diversity, hiring from minority job fairs and universities, partnering with local organizations to provide industry-related training, and providing scholarships and internships to underrepresented individuals. Common community partners are the local minority chambers of commerce.
Once underemployed individuals are employed within the companies, several companies support internal affinity/resource groups. These groups provide a support group of similar individuals, provide a place to receive advice and education, and provide a unified voice to present concerns and opinions to the company. Companies also can support diversity efforts by promoting from within the company, thereby encouraging minority employees to achieve positions of leadership.

9. The company enters joint marketing partnerships with community groups to promote socially progressive causes.

The companies studied frequently partnered with community groups to promote a variety of causes. Companies worked with community groups to support economic development, the arts, diversity, education, community redevelopment, health, and more. Again, Chiquita, Delta and Staffmark lagged in the support of community partnerships.

Overall assessment

While the degree to which companies participated in corporate social responsibility efforts varied, most addressed all of the Social Venture Network’s community involvement expectations. The two notable exceptions were Staffmark (formerly CBS Personnel Services) and Delta Air Lines. These two companies are very different. Staffmark is headquartered in Cincinnati and had revenue of $570 million in 2007. In contrast, Delta, which is based in Atlanta, had revenue totaling $17 billion in 2007. Therefore, inactivity cannot be attributed to headquarter location or company size.

The overwhelming majority of large Cincinnati companies addressed all of Social Venture Network’s expectations. Companies must be reviewed individually to understand the
degree to which the criteria were addressed. Using these standards, Cincinnatians should feel good about their corporate community partners.

**Contemporary urban best practices**

The Social Venture Network criteria do not establish minimum expectations for each criterion, which is why it was important to describe each company’s activities in more detail. A facile “yes or no” evaluation of each company’s efforts would have provided little insight into the company’s activity. Within the overall guidelines provided by Social Venture Network, the literature provided best practices for use within an urban context. While these alone would have provided a limited picture of company activities, they present an extra level of analysis for company involvement.

While almost every company addressed the nine Social Venture Network criteria, companies were far less likely to address all four contemporary urban best practices. These practices are, 1) Incorporate CSR Efforts with Company Business Strategy, 2) Tailored Goods and Services, 3) Education and Training and, 4) Partnerships.

Most companies had a combination of community-based efforts related directly to the business and other ancillary activities which aimed to improve the overall quality of life of the community and thus make the company more attractive to potential employees. For the insurance companies, these efforts related to emergency preparedness, banks focused on the financing of loans in distressed areas and food distributors who fought hunger. It is not a given, however, that each company’s CSR efforts align with the company’s business practices. Even within the same industry there were discrepancies about the level of correlation.
Tailoring goods and services to the local community was the least likely urban best practice to be identified within the fifteen companies. Despite the relatively low level of participation, there are several examples within the community. These include consideration of store locations based on factors of customer mobility, marketing initiatives to reach out to minority communities and efforts to stock culture-specific products. In many situations it was difficult to determine if programs related to tailored goods and services that might be implemented at a national level were being implemented locally.

Companies addressed efforts to educate and train the community in a variety of ways. Almost every company offered company matching gifts for donations to education made by employees and several companies have developed partnerships with schools. These partnerships include, among other things, tutoring and financial support. Other companies worked with schools to educate students about topics directly related to the company’s industry.

Educational efforts extended beyond the classroom. Companies worked with local institutions to educate the community about diversity. There also were many examples of minority small business training. While these capacity building programs gave the company another potential supplier they created a far greater benefit to the small businesses.

The final urban best practice, partnerships, was widely practiced. Every company, except Staffmark, identified several examples of partnerships to implement better community building efforts. While some of these partnerships were based primarily on funding, more fully realized partnerships often resulted in significant positive results. While it is unlikely that every partnership can be fully realized, creative companies are always in a position to identify an opportunity that will yield measurable results.
Local Best Practices

Many of the fifteen companies studied invest significant resources and energy into improving the quality of life in Cincinnati. Placed in the context of national urban best practices and relative to the overall efforts of the companies reviewed, some programs and initiatives stand out as Cincinnati’s contributions to best practices for large companies in an urban context.

Cincinnati Bell’s Taft High School Partnership

Cincinnati Bell’s partnership with Taft High School is a multifaceted approach to community revitalization. The first notable element of this partnership is the choice to partner with Taft High School. While some companies partnered with relatively well-off schools within the Cincinnati Public School System, Cincinnati Bell went to one of Cincinnati’s worst.

The company’s efforts began by upgrading the school through volunteer work. This effort helped get the company’s employees invested in the project and established a relationship with the school for the subsequent phases of improvements. The company made further improvements to the school, working with the state of Ohio to install new technology systems. After creating a positive physical environment, the company sought to create an even greater likelihood for success by organizing a weekly tutoring program. The frequency of the program allows students and professionals to develop a relationship and focus on individual student’s problems. The company went even further to encourage educational success by providing laptops and cell phones to students in the program who maintain a high GPA. This effort is an example of using company products both to engage the community and to build the company’s potential consumer base. The partnership continues even after high school through annual college scholarships for the top-performing students at the school.
The Taft Partnership extends beyond the Taft students by opening the computer facilities at the school to the community. Not only does this expand the reach of the partnership, it provides valuable job training skills to the students who staff the center. These job skills are further enhanced through summer internships with Cincinnati Bell.

The Taft High School Partnership shows how many pieces there are to the puzzle. While any one of the efforts would have been appreciated, it is unlikely that they would have resulted in the radical transformation seen at Taft. Graduation rates rose from 25% to 75%, parental involvement, which almost didn’t exist before the partnership, became common and every student in the tutoring program passed the Ohio Graduation Test.

**Community Incorporation by Local Lenders**

Banking institutions in Cincinnati, and across the country, are encouraged and evaluated by the Community Reinvestment Act to have reasonable levels of activity in low-income areas. However, this act is not so legally binding as it once was and largely leaves efforts up to the banks’ discretion. Fifth Third Bank, based in Cincinnati, and U.S. Bank, with a large employment base in the city, are good examples of how bank’s can incorporate community members into decision making in a large corporation.

Fifth Third Bank’s community involvement strategy happens at the front end of the bank’s decision making. Members on the bank’s Community Advisory Forum include representatives from local nonprofits, small-businesses, real estate, and community interest groups, including those representing minorities and those with disabilities. This group meets quarterly to identify community projects for the bank to be involved in and assess the bank’s current programs and progress.
Where Fifth Third provides an example of community integration in the planning phases of community efforts, U.S. Bank provides an example of how products and services can be implemented to meet the unique demands of an urban market. U.S. Bank specializes in affordable housing and created the Community Lending Division to assist companies in creating multifamily housing for low and moderate-income residents. This requires an intimate knowledge of a variety of financing tools and programs. The bank also supports home ownership for low and moderate-income residents through a variety of traditional and innovative financing tools. This perspective takes into consideration the reality that many urban residents do not have a traditional banking history and may not qualify for loans using traditional models that do not account for these unique cultures and attitudes.

**Leading by Example at Procter & Gamble**

Procter & Gamble is the largest company in Cincinnati. It also is actively engaged in the community, recognizing that what is good for Cincinnati is good for Procter & Gamble. This attitude begins at the top of the company and then permeates the company’s culture. This is reflected in the company’s annual United Way giving. The combined total of employee and corporate giving was three times larger than any other contributing company.

While it may be impossible to identify every instance of Procter & Gamble executives serving in leadership positions with local organizations, there are several examples to illustrate the attitudes of Procter & Gamble leadership. Current CEO A.G. Lafley has led the Fine Arts Fund campaign and is now leading the United Way campaign. He also was one of the original leaders of 3CDC and helped set the organization on a path to success. Former CEO John Pepper is currently CEO of the Underground Railroad Freedom Center. A final example of a Procter & Gamble leader is Charlotte Otto. Otto was featured in a 2005 article that made illusions to her
“velvet glove” that helped shape Cincinnati with force, yet grace. In her long career with Procter & Gamble, Otto has among other initiatives, led the Cincinnati USA Regional Chamber, and worked with 3CDC, the Port Authority of Hamilton County, the Banks project, and Downtown Cincinnati Inc.

Procter & Gamble shows the results a company can have when its commitment to the community comes from the very top of the organization. Procter & Gamble leads not only its employees but the rest of the city as well.

**Conclusion**

This study has served as an initial step in identifying, cataloging, and discussing Corporate Social Responsibility as it relates to large companies in Cincinnati. While most of the companies evaluated were active within Cincinnati, the level of participation varied. Three efforts stood out as best practice examples for companies in Cincinnati and perhaps for companies in other urban areas as well: Cincinnati Bell’s Taft High School partnership, Fifth Third and U.S. Bank’s community inclusion efforts and Procter & Gamble’s example of corporate leadership in community involvement. These efforts provide a guide to companies who want maximize their impact in the community.

**Areas for future study**

This study set out to identify community-based CSR activities of the largest companies located in downtown Cincinnati. Because of the immense amount of information required to identify and organize each company’s actions, several additional studies could be undertaken based on this initial research. Possible areas for study include: researching program
effectiveness, comparing Cincinnati companies to other cities of similar or varying sizes, or conducting a more detailed analysis of individual companies’ efforts.

An additional area ripe for additional study is partnerships and intermediaries. These relationships serve as a middle ground between corporations and the community and come in a variety of shapes and sizes. This study identified many partnerships and intermediaries created by companies in Cincinnati but a much more detailed analysis is needed to fully describe the variation and dynamics of these institutions.
# Appendix I: CSR evaluation tools

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<thead>
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<td>UN Global Compact</td>
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Appendix II: Letter to companies

To (PUBLIC RELATIONS CONTACT):

My name is Brian Backscheider; I am currently pursuing my Masters degree in Community Planning at the University of Cincinnati. For my Master’s Thesis I am studying the appropriateness of Social Venture Network’s Community Involvement standards for large companies located in downtown Cincinnati. This framework was developed over the course of five years with the input of over 200 organizations, including Ben and Jerry’s Homemade, Salomon Smith Barney, Rockefeller and Company, Kashi Company, Harvard University, Reebok, Stanford University, The Body Shop, and Underwriters Laboratories but does not specifically address large companies’ efforts in urban areas.

Please see the included attachment which contains the nine practices recommended by Social Venture Network for your company’s community involvement. I am interested in collecting documentation about how (COMPANY) addresses each of these practices, through company policies, programs and actions within the city of Cincinnati. To understand the effectiveness of these standards I would also like to know any additional community involvement efforts being undertaken by your company and its employees within the city.

To follow up this letter, I plan to call you on (DATE) to discuss the study. If you prefer I would be happy to schedule a meeting to talk about (COMPANY)’s community involvement initiatives.

Thank you for your time,

Brian Backscheider
Master of Community Planning Candidate 2009
Appendix III: Company profile format

Company

Type:

Headquartered:

In Cincinnati since:

2006 Downtown Cincinnati employment rank:

2008 Fortune 1000 rank:

CSR focus areas:

Programs:

CSR Policy 1:

CSR Policy 2:

CSR Policy x:

Assessment:
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Staffmark


U.S. Bank


**Western & Southern**


