



Getting the balance right:

How we manage revenue, social obligations, costs, harvesting legacy revenue and building new revenues

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BALANCE

Improve Revenue and Reduce Costs Through CSR *(Corporate Social Responsibility)*

Managers can increase revenues and reduce costs when they understand the role of Corporate Social Performance (CSR) in driving overall Corporate Financial Performance.

What are the individual, underlying drivers of the performance associated With CSR and their ability to improve revenue and reduce costs?

Do you have a CSR Officer in your company?

Do you leverage off any goodwill created by your company in this space?

CSR DRIVERS

CSR isn't just about 'giving'. You should leverage and gain returns

- Customer drivers including the ability of CSR to signal quality to consumers that can lead to favorable views of the organization and enhance customer loyalty.
- Societal drivers such as the accumulation of social capital as a result of transparency, goodwill and good citizenship.
- Natural environment drivers such as pollution prevention and environmental strategies that can lead to competitive advantage for firms.
- Innovation drivers including the potential positive impact of environmental goals that result in widespread changes in operations that foster innovation.
- Governance drivers including disclosure practices that lead to greater visibility with stakeholders and financial partners.

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CSR enhances your human resource management

Firms with established reputations as positive places to work can attract talented employees. Employees at organizations with positive CSR practices and ethical values are more committed to the organization and have greater job satisfaction. Employee engagement can lead to both cost savings and growth opportunities.

Customers are more committed

Customers identify strongly with organizations that have visible and well-established CSR practices. This effect can lead to revenue opportunities

CSR drivers

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CSR practices make your business appear less risky

Organizations engaged in CSR signal to stakeholders that they are committed to meeting stakeholder demands. Such organizations appear to potential lenders and investors as encompassing less risk. This perception can lead to revenue opportunities (as a result of positive positioning) and cost savings (as a result of a lower cost of capital).

Environmental performance influences your bottom line

Improving environmental practices such as reducing pollution and improving waste management can lead to better financial performance through both increased revenues (e.g., enhanced brand equity) and lower costs (e.g., operational efficiencies).