

Kellie McElhaney is an adjunct professor at the Haas School of Business. Her research and teaching focus on the economic and business value in investing in women, global macro-trends in business solutions, and strategic corporate sustainability. Kellie spoke with ExecEd on women leaders and CSR.

ExecEd: Shifting just slightly, talking more generally about CSR and sustainability. I hear you interchanging those words. Can you help define them for us?

Kellie McElhaney: I tend to use the words corporate social responsibility or CSR interchangeably with sustainability. There's a segment of the population in business leadership that will just confine sustainability to environmental performance, I tend to use them interchangeably to what they are doing in the environment, what they are doing in society, how they're really making a positive impact in the world, but because I am very focused on business return on investment, on ROI, particularly I am a former banker, so it was really hammered into me to focus on ROI, which I think is a fantastic strategy, I really look at CSR strategy as it is first and foremost a high impact business strategy.

Something that everybody is talking about right now is this millennial generation, people in the workforce under the age of 30, maybe 32, and how different this generation is, how difficult they are to engage, and they are showing to be one of the lowest engaged employees, they don't tend to stay at companies as long as previous generations, but one thing that is very clear about this generation is that they care about contributing positively in the world. You can actually see in some companies if you compare employees who are highly engaged in the company's sustainability strategy, their engagement level with the company goes up, their level of satisfaction with the company goes up, and companies are struggling with recruitment, attraction, retainment of this millennial generation, so there's a significant correlation there.

In penetrating consumer basis, get back to the women topic just for a minute, women do tend to choose to purchase more sustainably. They will purchase a product that is focused on some positive environmental or social impact as opposed to a product that has none of that. Those are business strategies and reasons to engage in corporate social responsibility. If you reduce packaging, if you reduce waste, if you reduce energy usage, there is a solid business case first. It's

great for the environment, it is also great for the company's bottom line and to me, that's effective corporate social responsibility strategy.

It's really playing at the intersection of what a company does well, so if you are a highly data based company, if you run significant databases, which of course suck a lot of power, produce a lot of heat ... I was just working with a company the other day that captures that heat from the database center and they put it back on the grid. That's an incredible, powerful win-win for the company and for the environment. It stays true to the company's core competencies. They understand how to run database centers, how to capture wasted electricity and heat from that database, as opposed to this tech company looking at let's run a Toys for Tots program over the Christmas season. It's not really a deeply embedded strategy, it's a one off.