NationSwell survey findings

November 2022

Private sector social impact leadership survey

2022 findings

Read time: 20 minutes or less

NATION SWELL

About this report

Leaders who bring confidence, creativity, and conviction to their work are arguably the most important ingredient to generating social impact. Often behind the scenes, these individuals play key roles in elevating and executing the social and environmental priorities of their organizations, priorities that are increasingly imperative for the private sector. Juggling stakeholder interests, cross-company engagement, and increasing expectations for monitoring and reporting, delivery of a social impact strategy is not an easy task.

In the past year alone, we have seen the emergence of the Russia-Ukraine war, the highest daily case counts of the COVID-19 pandemic, multiple mass shootings, deadly instances of extreme weather, and the repeal of Roe v. Wade – all followed closely by ever-louder calls for the private sector to speak out and step up. Leaders in corporate social responsibility and ESG (environmental, social, and governance) were on the receiving end of those calls, setting the priorities and making the decisions that shaped their organization's actions.

So what exactly were the most significant forces that changed the way leaders in these functions approached their priorities and decision-making over the past year? What did leaders do differently, and why? And what are leaders anticipating the environment, their organizations, and their jobs to hold in store for the year to come?

To answer those questions and more, NationSwell launched a survey in August 2022 specifically for private sector social impact leaders. In doing so, we sought to develop a unique understanding of how social impact leadership is evolving. The survey gathered perspectives from individuals across NationSwell's membership community and beyond. The analysis contained herein reveals the opinions and truths held by social impact leaders in the U.S., all in service to advancing collective knowledge about these essential roles.

Methodology

Between August and September 2022, NationSwell gathered data through a 30-question online survey. The survey consisted of primarily multiple-choice and likert-scale questions. In order to validate the survey instrument, NationSwell conducted three interviews with social impact leaders at large private sector organizations. Interview data supported finalization of the questionnaire, though no significant changes were made based on individual input.

To be eligible for completing the survey, participants had to be vice presidents and above in social impact roles at private sector companies. Forty-seven leaders are included in the sample. They represent 46 companies, of which 17 are among the Fortune 500 and 6 are among the Fortune 100. Of the individual respondents, 89% are leaders at corporations and 11% are leaders at company-sponsored foundations. Participants have held their current leadership positions for an average of 7 years, and the majority of participants are female (66%) and white (74%). The top three social impact job functions identified by respondents are corporate social responsibility (57%), philanthropy (51%), and ESG (51%).

Respondent demographics

YEARS IN CURRENT ROLE
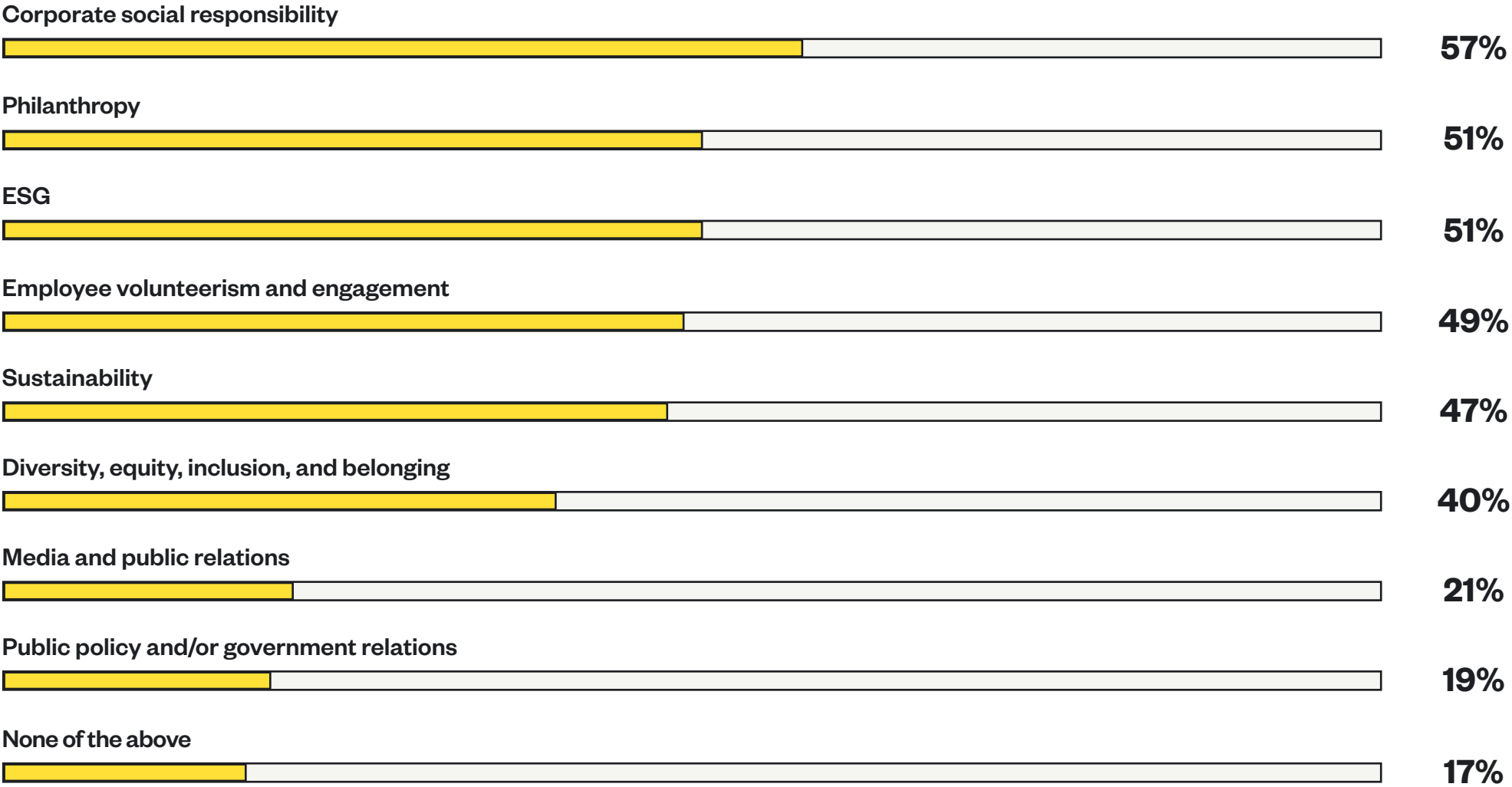
Mean: 7 years
Range: 1 - 22 years

GENDER

Female: 31 (*66%*)
Male: 16 (*34%*)

RACE/ETHNICITY

White: 35 (*74%*)
Asian: 5 (*11%*)
Black or African American: 4 (*9%*)
Two races/ethnicities: 2 (*4%*)
Some other race: 1 (*2%*)

Which of the following functional areas currently fall within your job purview? (select all that apply)

Corporate social responsibility
57%

Philanthropy
51%

ESG
51%

Employee volunteerism and engagement
49%

Sustainability
47%

Diversity, equity, inclusion, and belonging
40%

Media and public relations
21%

Public policy and/or government relations
19%

None of the above
17%

Summary of findings

GENERAL SENTIMENTS

1 Despite a challenging environment, leaders are satisfied with their organization's social impact and their personal contributions; they also remain confident in their ability to perform in the year ahead

2 Compared with their assessment of overall social impact, leaders are less impressed by their organization's response to pivotal moments in the past year; the same is true of their individual contributions during those moments

3 Leaders view creating economic growth - for communities and for individuals - as secondary to their company's other societal contributions

HEADWINDS AND TAILWINDS

4 Global conflict, the pandemic, and extreme weather significantly outrank domestic social and policy events – including the repeal of Roe v. Wade – for influence on leaders' priorities

5 Leaders share a growing concern about economic conditions, but differ widely on other top headwinds to impact

6 Organizational stakeholders provide steady tailwinds for social impact leaders, but the influence of other companies is on the rise

CHANGE AND ADAPTATION

7 Acknowledging key vulnerabilities and the power of collective action, leaders are creating new frameworks for responding to pivotal moments and seeking strength in numbers

8 To become more confident about their paths ahead, leaders need more financial resources; they also need clarifying information about their organizations

9 In considering overall career goals, leaders crave thought leadership – their own and that of others

GENERAL SENTIMENTS:

Assessing the environment and grading performance

Private sector social impact strategies are getting sharper and more ambitious, but the external environment is becoming more complicated. For example, consumers and employees are raising the bar for companies in regard to sociopolitical action, while policymakers and other public figures reprimand organizations that speak out (as <u>evidenced this year</u> by Disney's opposition to Florida's "Don't Say Gay" bill and the subsequent response from Governor Ron DeSantis and other state lawmakers). Social impact leaders are responsible for difficult decisions on strategic direction and prioritization, so we were keen to understand their views of the landscape in which they execute these roles. Our survey sought leaders' perceptions of their personal efficacy within their companies, their sentiments toward their organization's social impact, and a better understanding of how views of the past year will translate into their work ahead.
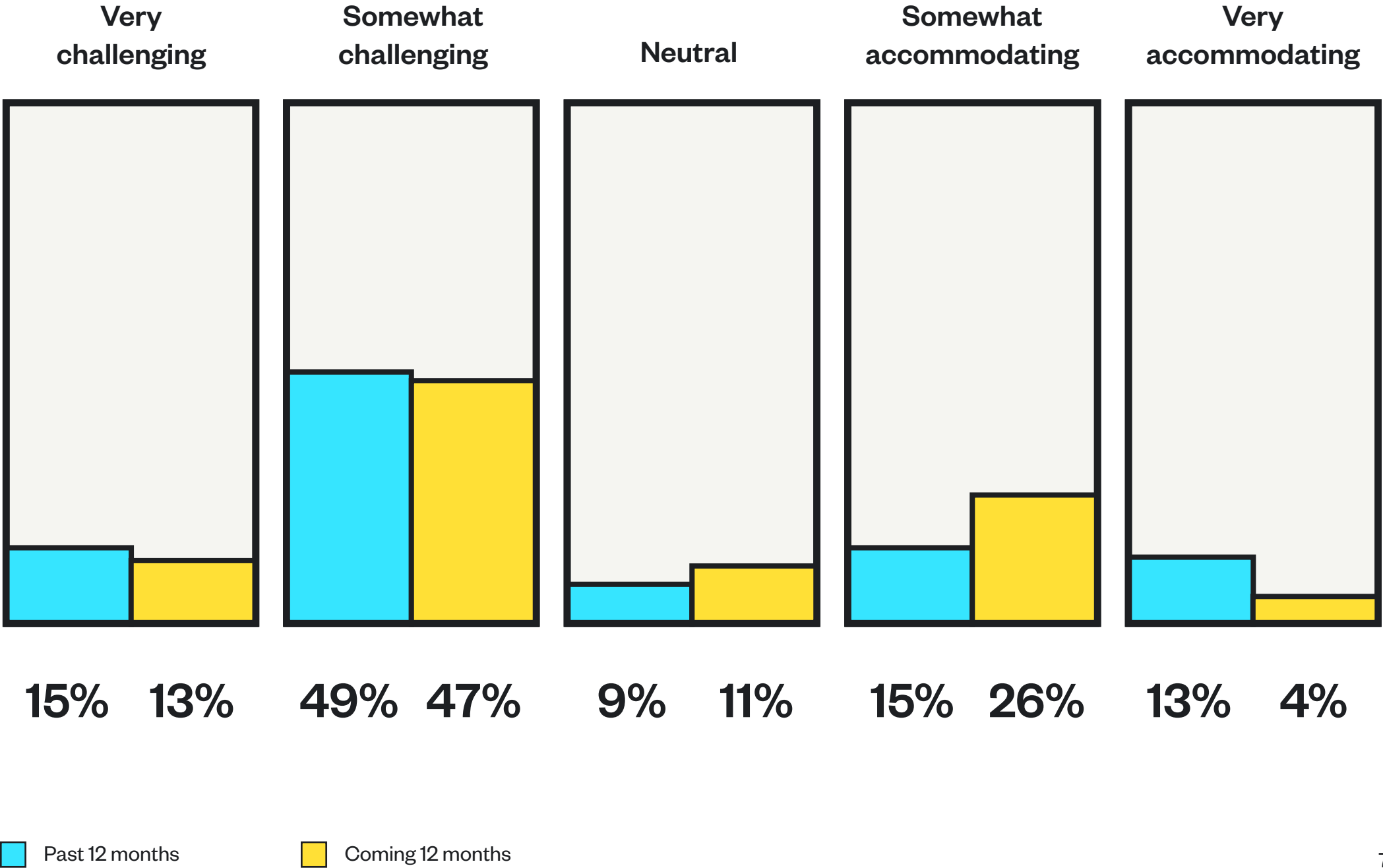
Finding 1:

Despite a challenging environment, leaders are satisfied with their organization's social impact and their personal contributions; they also remain confident in their ability to perform in the year ahead
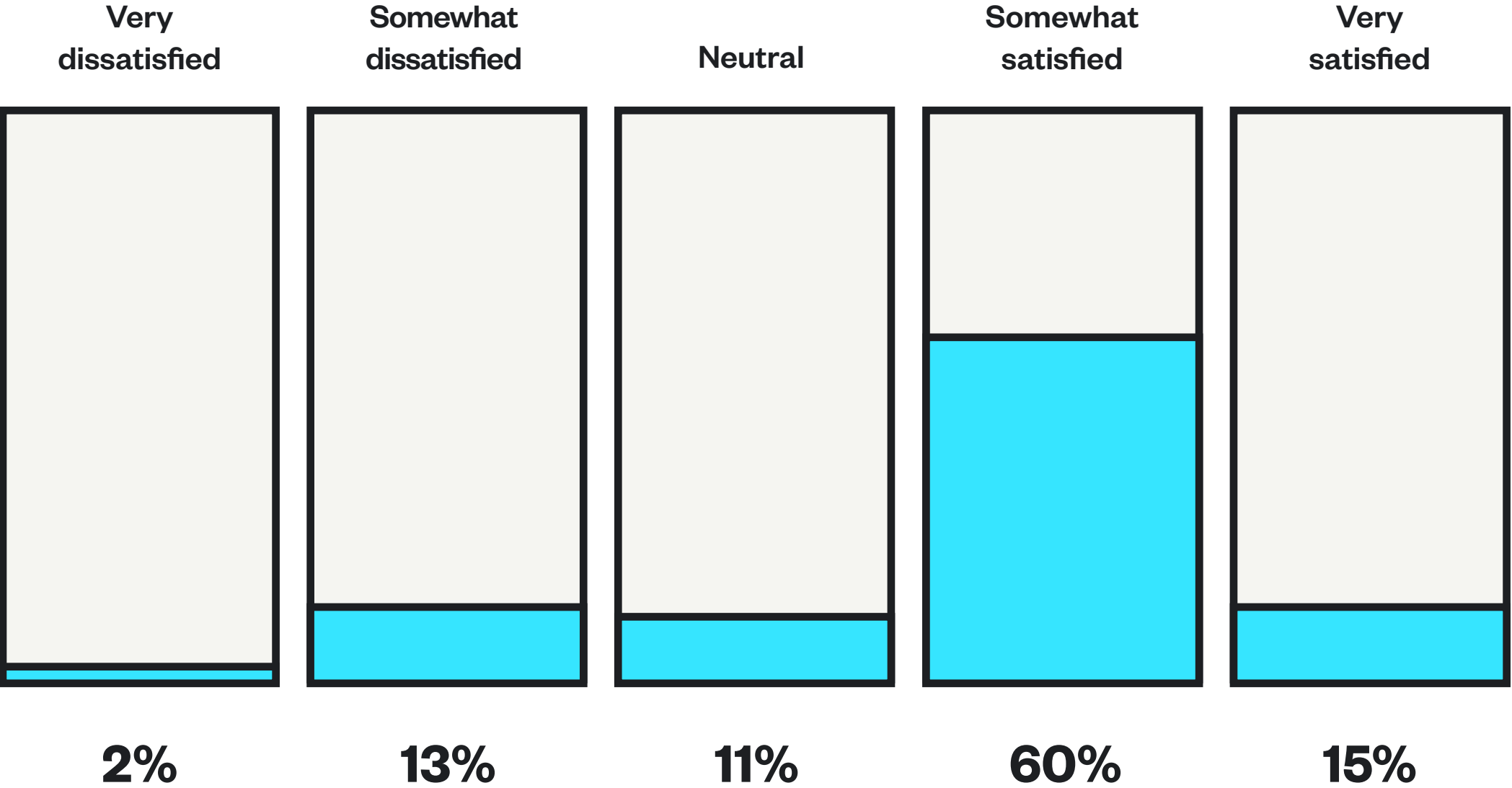
Most leaders described the social impact environment within and outside their organization as "somewhat" or "very" challenging, and they do not expect it to become easier in the coming year. When reflecting on the past 12 months, only a quarter of leaders (28%) found the environment accommodating. The portion of leaders anticipating a "very" accommodating environment for the execution of their work also drops considerably relative to the portion who said as much about the prior year (4% compared to 13%).

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Respondents
Answered

How would you characterize the environment (within and outside of your organization) for advancing your job-related priorities?

Very challenging	Somewhat challenging	Neutral	Somewhat accommodating	Very accommodating
15% 13%	49% 47%	9% 11%	15% 26%	13% 4%

■ Past 12 months   ■ Coming 12 months

While nearly 65% of leaders characterized the environment as challenging over the past year, three-quarters (75%) were satisfied with their organization's social impact.

In general, how satisfied were you with the social impact your organization created over the past 12 months?

Very dissatisfied	Somewhat dissatisfied	Neutral	Somewhat satisfied	Very satisfied
2%	**13%**	**11%**	**60%**	**15%**

A similar proportion of respondents (72%) felt that they were individually quite influential over their organization's social impact during the past year, indicating a high degree of alignment between assessments of individual and organizational performance.

In your opinion, how influential were you over your organization's overall social impact during the past 12 months?

Not at all influential	Slightly influential	Very influential	Moderately influential	Extremely influential
2%	11%	36%	15%	36%
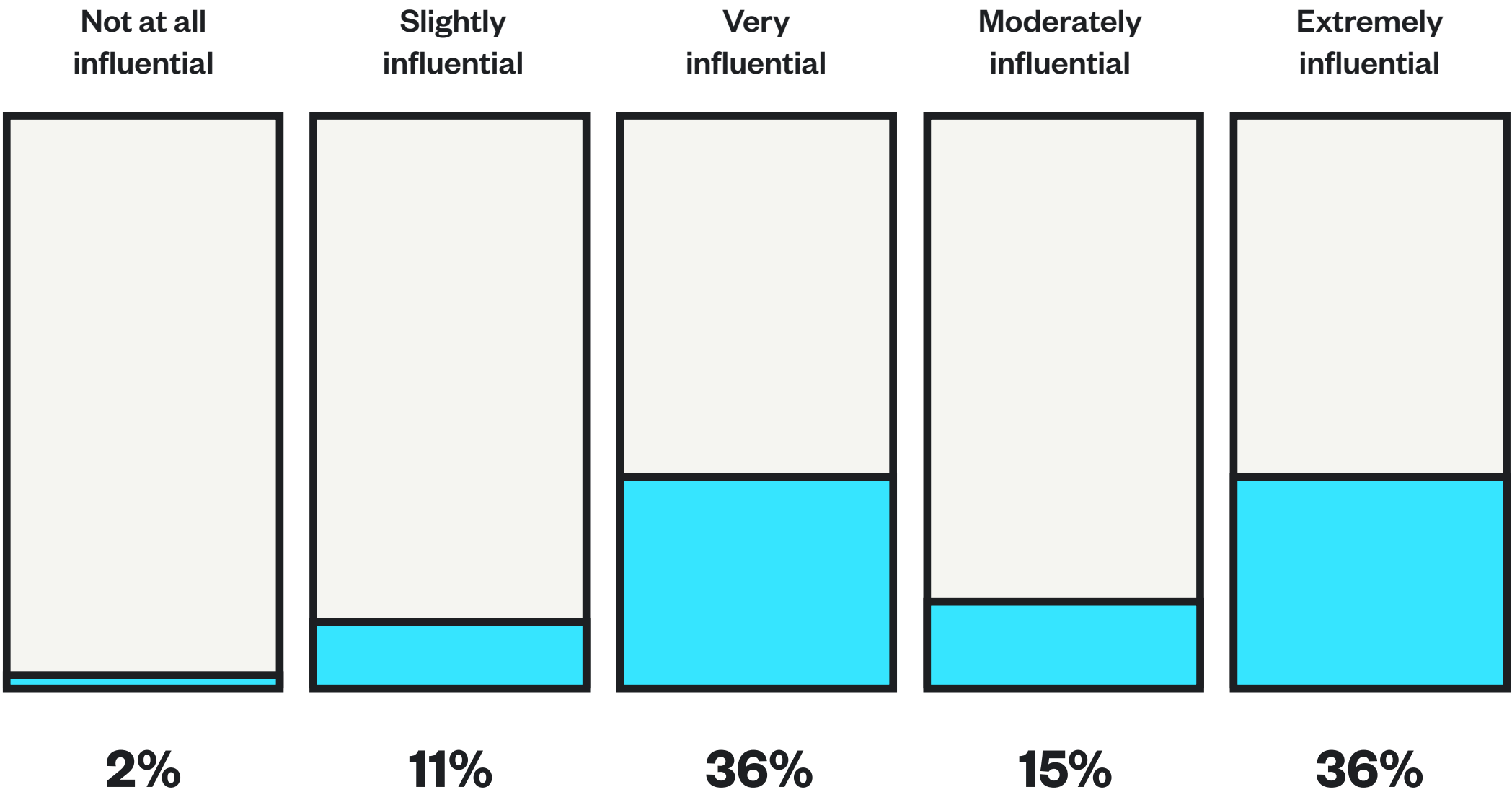
In keeping with these high marks, most leaders expressed confidence in their ability to execute their job responsibilities in the year ahead, with nearly half (46%) indicating they are "very" or "extremely" confident and less than a quarter (21%) feeling only "slightly" confident.

How confident are you in your ability to advance your job-related priorities in the coming 12 months?

Not at all confident	Slightly confident	Moderately confident	Very confident	Extremely confident
0%	21%	32%	40%	6%
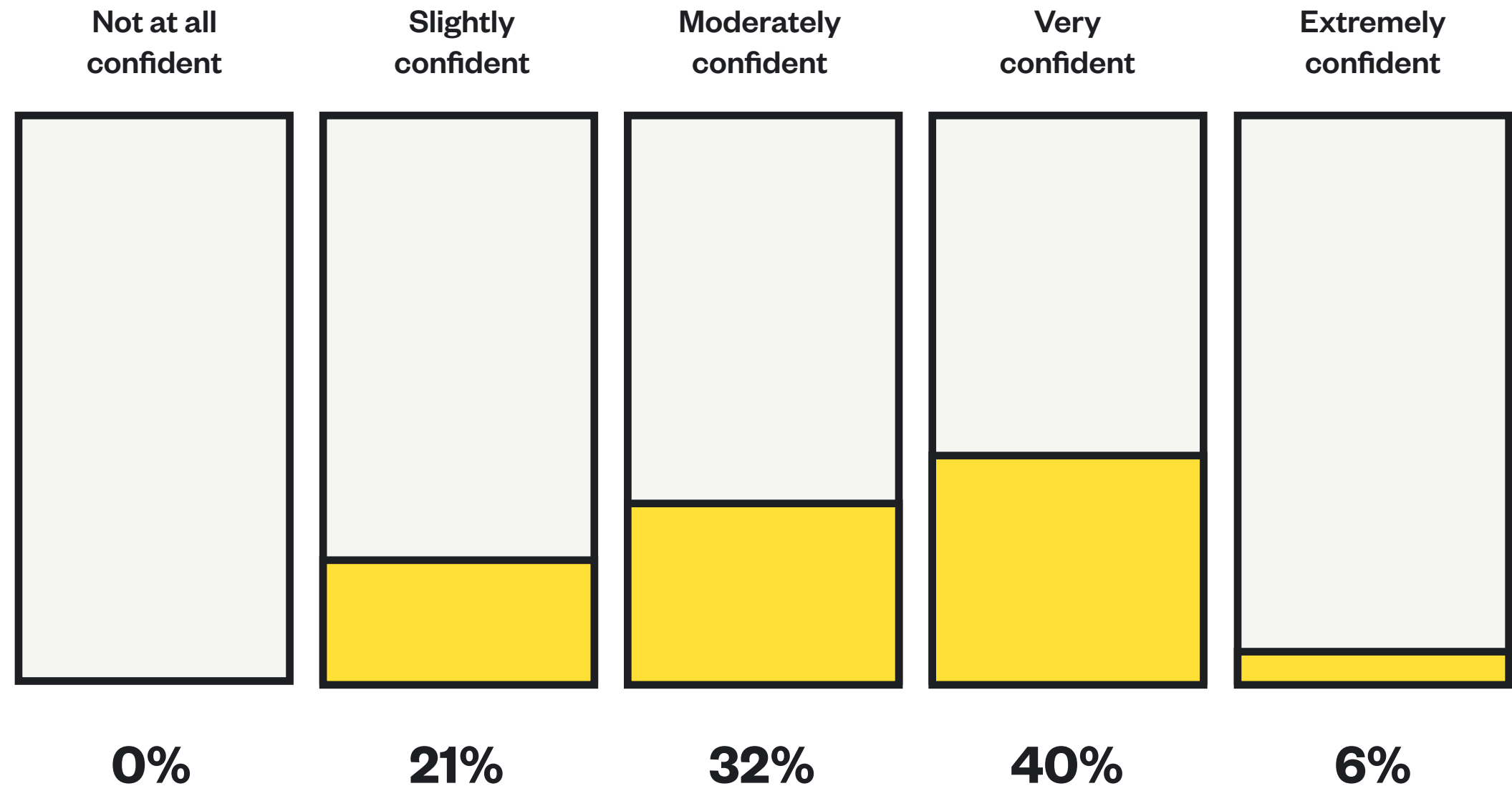
Finding 2:

Compared with their assessment of overall social impact, leaders are less impressed by their organization's response to pivotal moments in the past year; the same is true of their individual contributions during those moments

Compared to 75% of leaders who felt satisfied with their organization's general social impact, only 58% of leaders said their company's response to social and political moments was strong during the past year. Importantly, leaders believe that there is room for improvement on both fronts – only a small proportion of respondents felt "very satisfied" with organizational impact (15%) or characterized response to pivotal moments as "very strong" (13%). Substantially more leaders are neutral towards their organization's response to pivotal moments (32%) than overall social impact (11%). It is worth considering that these trends indicate a natural distribution of opinion in regards to social and political response; corporate employees differ in both their personal feelings about pivotal events and their expectations of how their companies respond. However, it is likely harder for companies and their leaders to hit the mark when responding to unplanned social and political events compared to executing a planned social impact strategy.

How would you characterize your organization's response to pivotal social and political moments over the past 12 months?

Very weak	Somewhat weak	Neutral	Somewhat strong	Very strong
2%	**9%**	**32%**	**45%**	**13%**
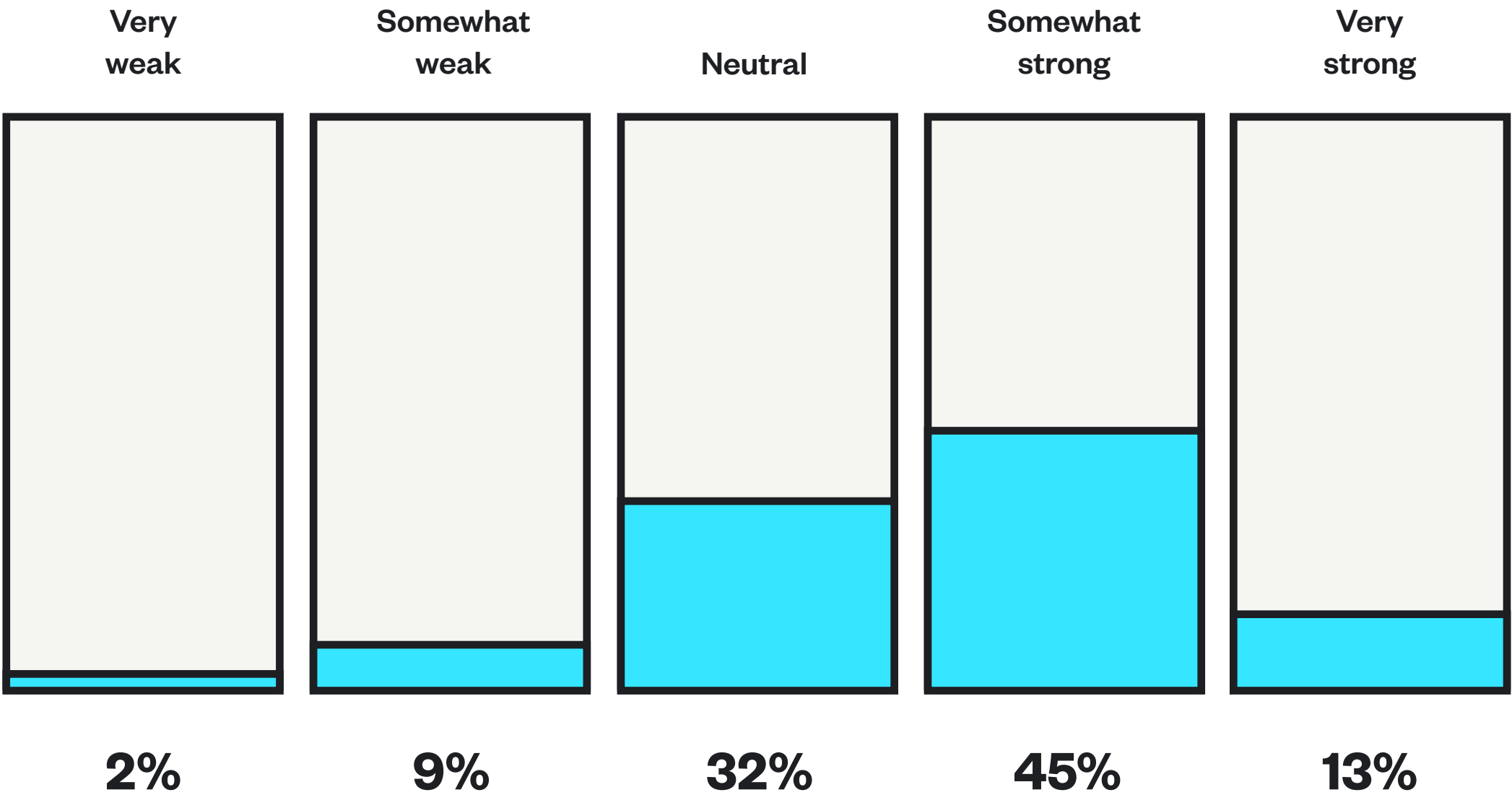
The gap between how leaders assess overall organizational social impact versus responses to pivotal moments is narrow when compared to individual self-assessments on these dimensions. Only 29% of leaders felt "very" or "extremely" influential over their organization's response to social and political events, compared to 72% of leaders who felt "very" or "extremely" influential over overall social impact. This gap in perceived influence may indicate that social impact leaders are not the primary decision-makers when it comes to pivotal social and political moments, or that their input is incorporated less than for general social impact decisions.

In your opinion, how influential were you over your organization's response to pivotal social and political moments during the past 12 months?
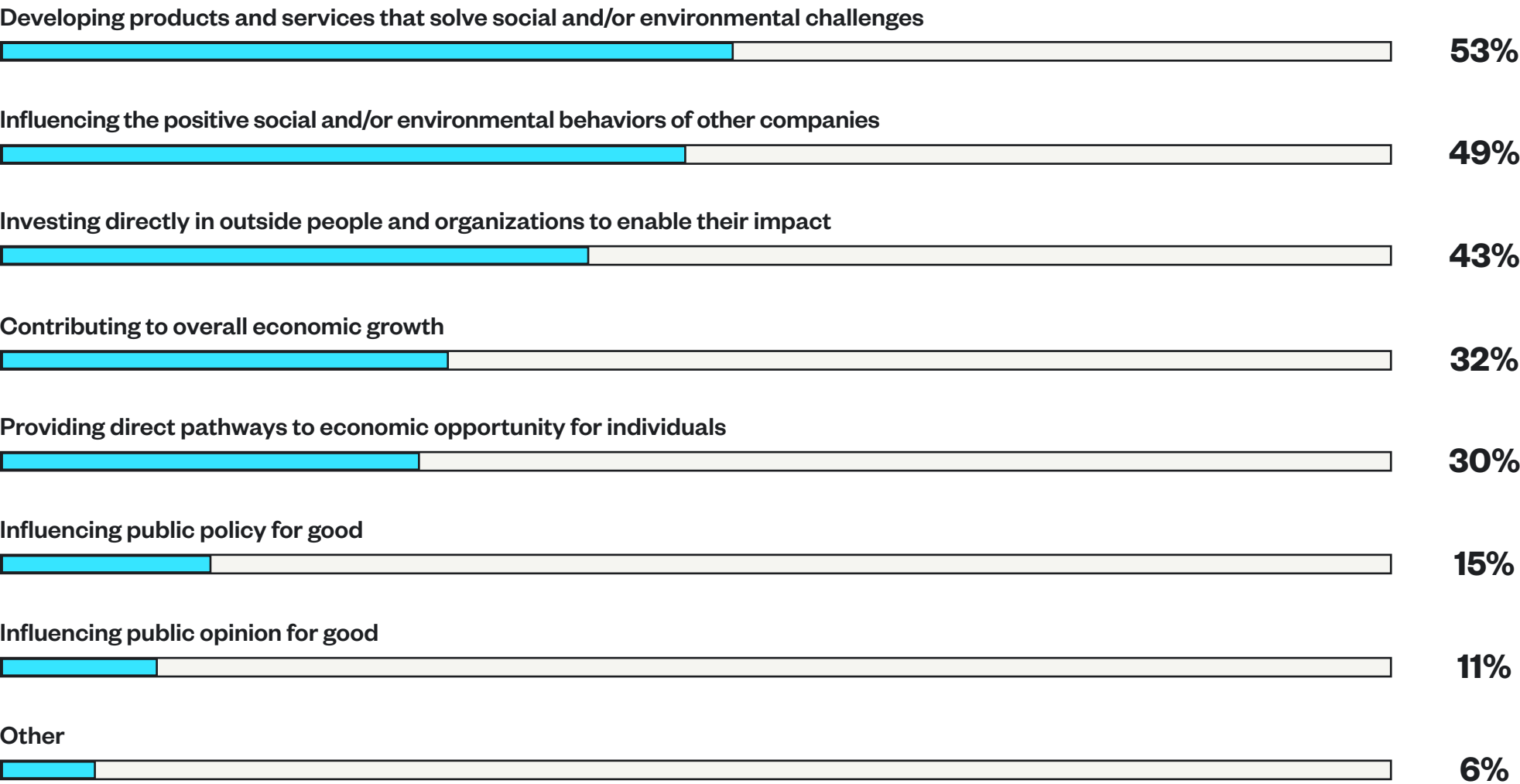
Not at all influential	Slightly influential	Moderately influential	Very influential	Extremely influential
9%	**19%**	**43%**	**23%**	**6%**
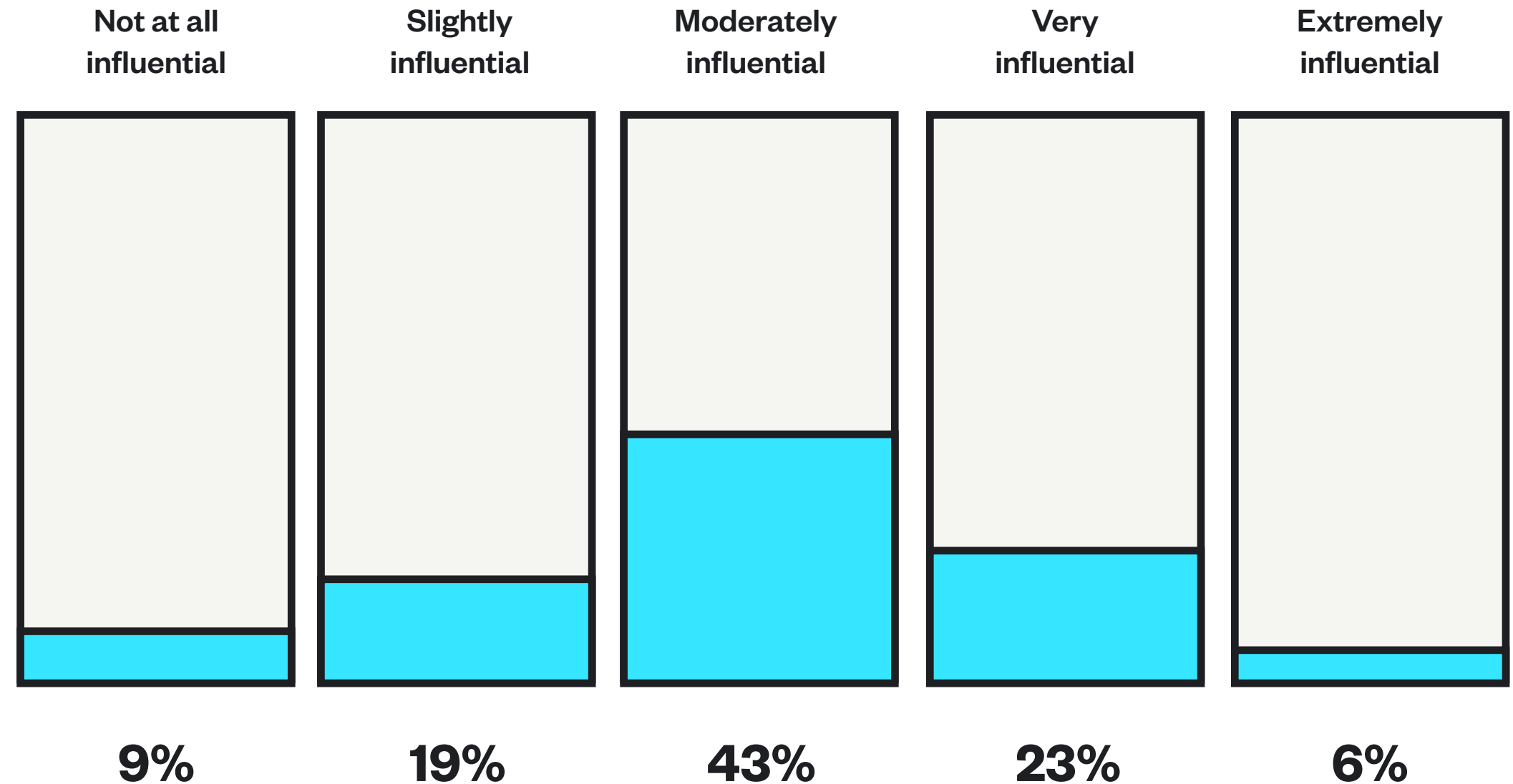
Finding 3:

Leaders view creating economic growth - for communities and for individuals - as secondary to their company's other societal contributions

When asked to identify their company's top contributions to society, leaders pointed toward their socially or environmentally-oriented products, influence over the behaviors of other companies, and external social investments. Perhaps more interesting are the items that did not make it to the top of their list. Considering that all survey respondents are leaders at private sector companies, it is notable that less than one third see contributions to overall economic growth and individual economic opportunity as among their company's greatest value-adds to society. Also at the bottom of the list: the company's influence over public policy and public opinion, two dimensions of social impact that are increasingly called for by consumers and employees alike.

In your opinion, which of the following best describe your organization's greatest value to society? (select up to 3)

Developing products and services that solve social and/or environmental challenges
53%

Influencing the positive social and/or environmental behaviors of other companies
49%

Investing directly in outside people and organizations to enable their impact
43%

Contributing to overall economic growth
32%

Providing direct pathways to economic opportunity for individuals
30%

Influencing public policy for good
15%

Influencing public opinion for good
11%

Other
6%

The takeaway

Though the environment is decidedly challenging, social impact leaders feel satisfied with their personal influence at their organizations and optimistic about the year ahead. That satisfaction wanes meaningfully when considering their individual and organizational response to pivotal moments, reflecting the evidence that direct engagement in marketing, communications, and public policy falls outside the job purview of many social impact leaders. It also speaks to the lack of societal value leaders ascribe to their organization's influence on public policy and public opinion writ large. Nevertheless, as the sociopolitical conditions continue to shift, particularly in the lead-up to the 2024 elections, the pressure on companies and their leaders to respond to the satisfaction of their consumers, employees, and general public is likely only to get stronger.

The forces and moments that are shaping leadership

Every day, private sector leaders face a variety of barriers (head-winds) and accelerants (tailwinds) in executing their jobs. Within companies, social impact leaders balance the diverse priorities of their employees, customers, C-suite, and investors. Externally, they encounter an increasingly demanding regulatory environ-ment and a divided sociopolitical landscape. In 2022 alone, leaders grappled with the implications of the Biden administration's Inflation Reduction Act and newly proposed climate disclosure regulations from the SEC. To better understand how leaders change their strategies and priorities in response to these internal and external factors, we first sought to uncover which forces leaders view as most impactful to their work – both within the past year and in the year to come.
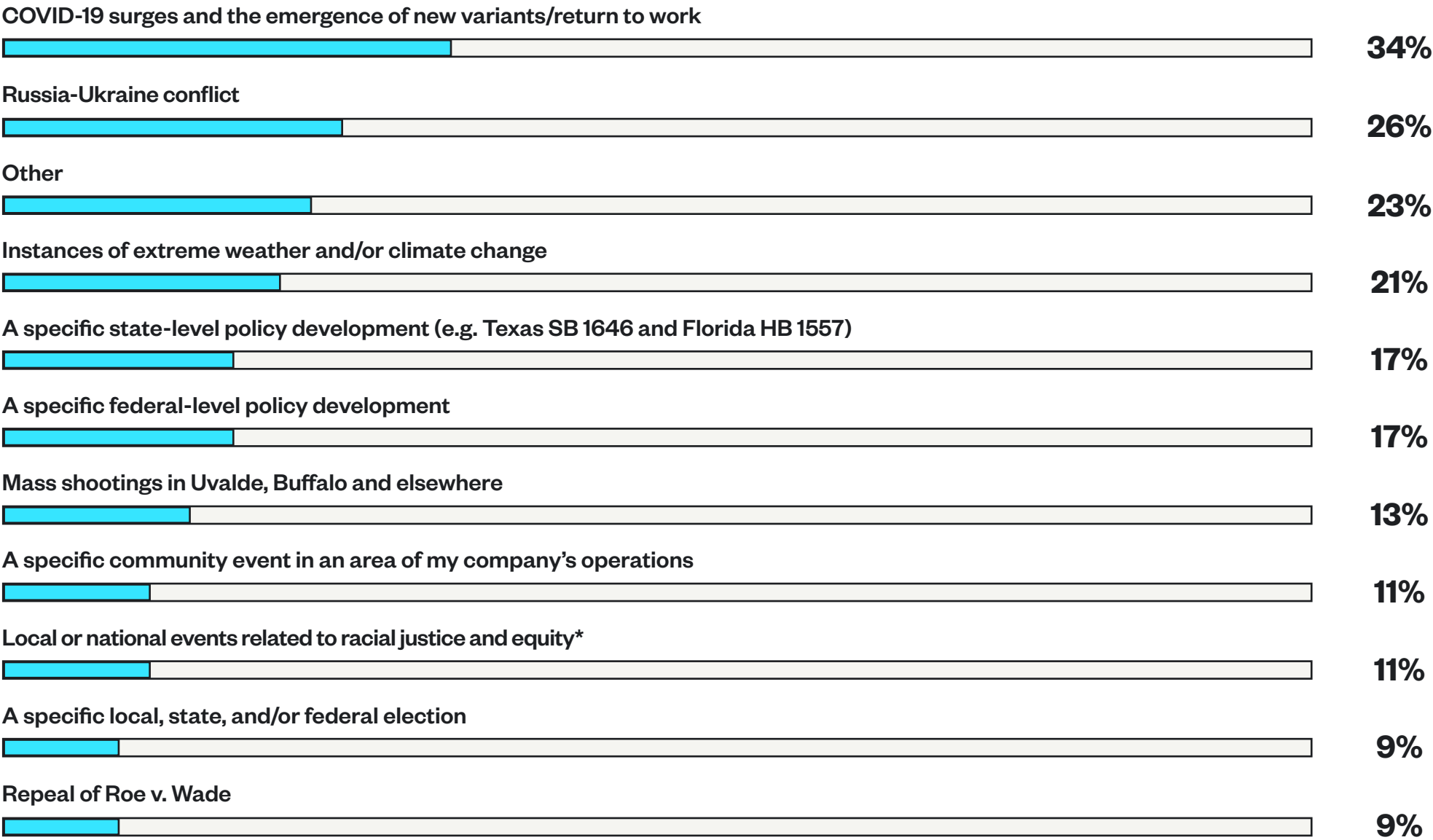
Finding 4:

Global conflict, the pandemic, and extreme weather significantly outrank domestic social and policy events – including the repeal of Roe v. Wade – for influence on leaders' priorities

During a year steeped in challenging social and political events, a plurality of leaders (34%) found the continued presence of COVID-19 and affiliated workplace disruptions as the most impactful for their work. In close second, the Russia-Ukraine war had global repercussions that required repositioning of social impact priorities. Despite the pressure for companies to respond to the Supreme Court's repeal of Roe v. Wade by expanding employee benefits and speaking out against the decision, very few leaders felt that this critical moment had a significant impact on their job priorities or strategies.

Which of the following pivotal events/moments have had the greatest influence on your job-related priorities or strategy over the past 12 months? (select up to 3)

COVID-19 surges and the emergence of new variants/return to work

34%

Russia-Ukraine conflict

26%

Other

23%

Instances of extreme weather and/or climate change

21%

A specific state-level policy development (e.g. Texas SB 1646 and Florida HB 1557)

17%

A specific federal-level policy development

17%

Mass shootings in Uvalde, Buffalo and elsewhere

13%

A specific community event in an area of my company's operations

11%

Local or national events related to racial justice and equity*

11%

A specific local, state, and/or federal election

9%

Repeal of Roe v. Wade

9%

* This response option was not included in the original question; 11% of respondents included racial justice and equity in their open-ended response to 'other'.
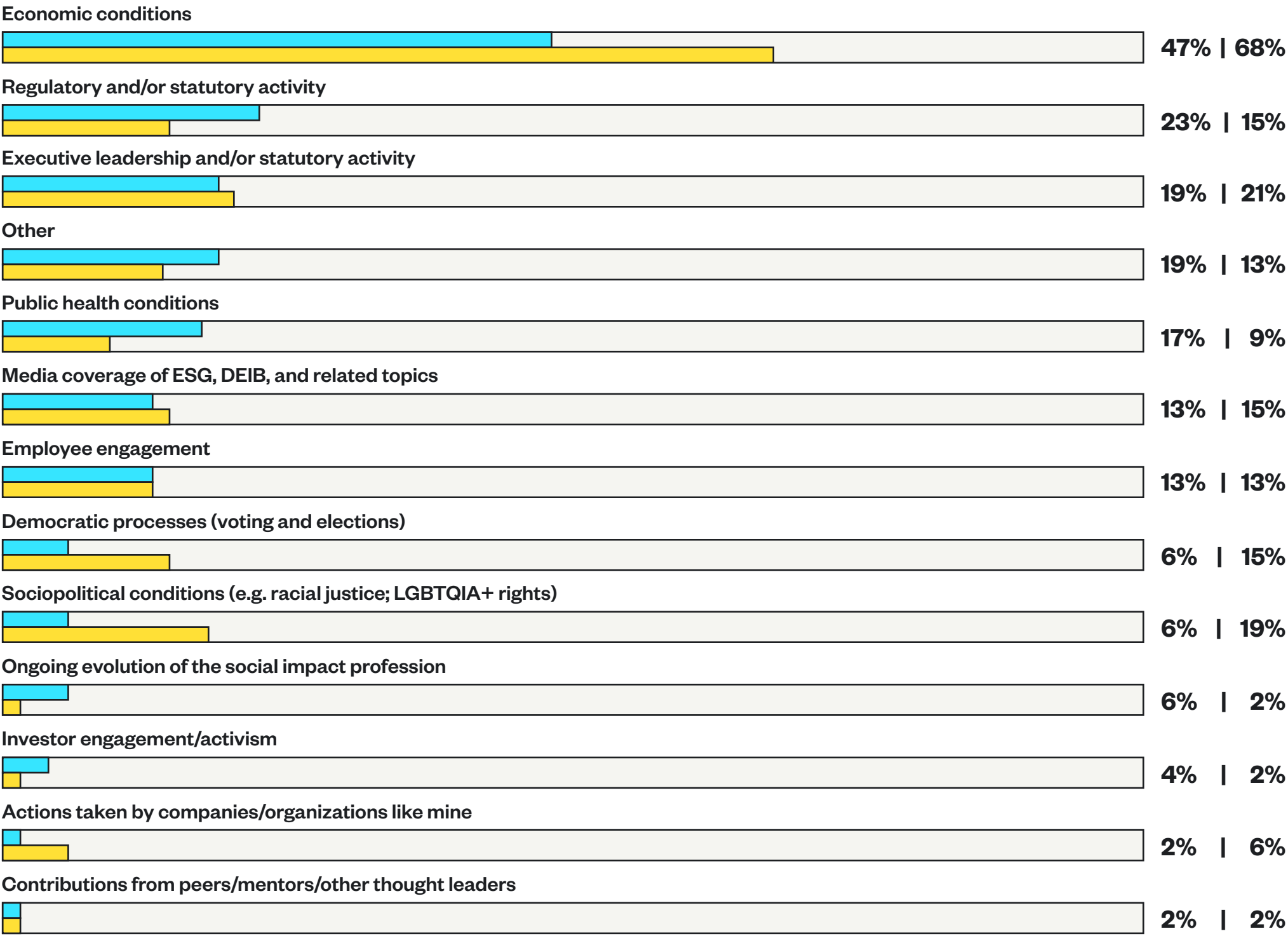
Finding 5:

Leaders share a growing concern about economic conditions, but differ widely on other top headwinds to impact

Overwhelmingly, leaders are pessimistic about how economic conditions will affect their work in the year to come. While almost half (47%) of leaders felt that economic conditions were a significant barrier over the past year, a considerably larger share (68%) anticipate economic headwinds in the next 12 months. Leaders also feel that socio-political conditions will pose more challenges for their jobs in the next year, potentially reflecting increased pressure for the private sector to respond during pivotal moments.

■ Past 12 months   ■ Coming 12 months

Which of the following forces pose the most significant barriers to advancing your job-related priorities? (select up to 3)

Economic conditions
47% | 68%

Regulatory and/or statutory activity
23% | 15%

Executive leadership and/or statutory activity
19% | 21%

Other
19% | 13%

Public health conditions
17% | 9%

Media coverage of ESG, DEIB, and related topics
13% | 15%

Employee engagement
13% | 13%

Democratic processes (voting and elections)
6% | 15%

Sociopolitical conditions (e.g. racial justice; LGBTQIA+ rights)
6% | 19%

Ongoing evolution of the social impact profession
6% | 2%

Investor engagement/activism
4% | 2%

Actions taken by companies/organizations like mine
2% | 6%

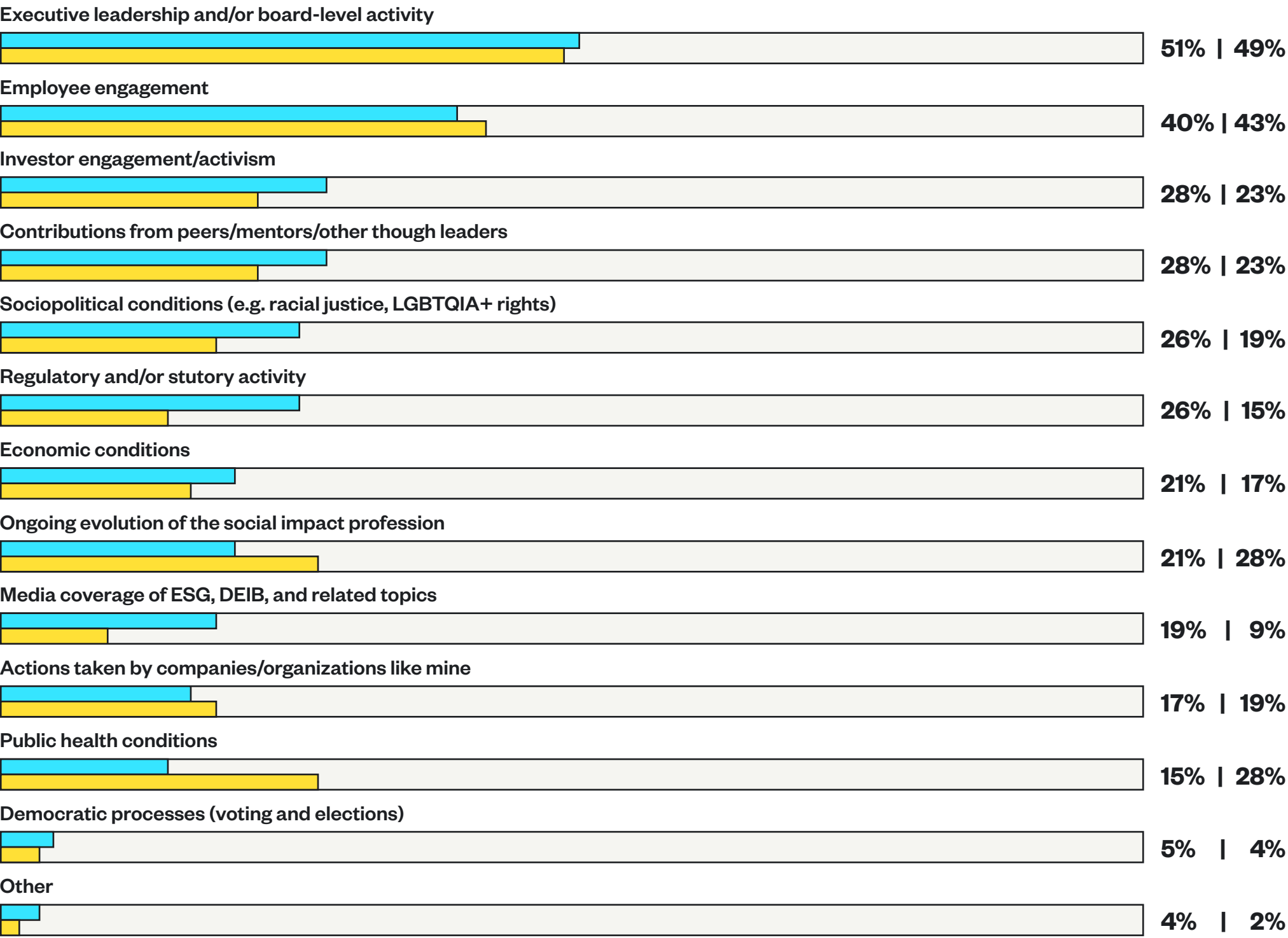**Contributions from peers/mentors/other thought leaders**
2% | 2%

Finding 6:

Organizational stakeholders provide steady tailwinds for social impact leaders, but the influence of other companies is on the rise

In reflecting on the past year and thinking ahead to the next, leaders identified key stakeholders as the top three positive forces behind their work, specifically executive leadership (~50%), employees (~40%), and investors (~25%). Notably, in comparison to the past year, 13% more leaders anticipate that the actions of other companies will positively influence their work in the 12 months to come.

Which of the following forces provide the most positive momentum behind advancing your job-related priorities? (select up to 3)

Executive leadership and/or board-level activity
51% | 49%

Employee engagement
40% | 43%

Investor engagement/activism
28% | 23%

Contributions from peers/mentors/other though leaders
28% | 23%

Sociopolitical conditions (e.g. racial justice, LGBTQIA+ rights)
26% | 19%

Regulatory and/or stutory activity
26% | 15%

Economic conditions
21% | 17%

Ongoing evolution of the social impact profession
21% | 28%

Media coverage of ESG, DEIB, and related topics
19% | 9%

Actions taken by companies/organizations like mine
17% | 19%

Public health conditions
15% | 28%

Democratic processes (voting and elections)
5% | 4%

Other
4% | 2%

■ Past 12 months   ■ Coming 12 months

The takeaway

In a year full of challenging events that dominated the attention of social impact professionals, the biggest concerns for leaders were those that directly threaten the sustainability of organizational social impact agendas – most prominently COVID-19 and the Russia-Ukraine war. While leaders did not consider widely resonant events like mass shootings and the reversal of Roe v. Wade as substantially influential on their work, they broadly agree that economic deterioration will be their biggest challenge for the year to come. To navigate the course ahead, leaders will continue to rely heavily on their key stakeholders and increasingly look to the example of other companies for guidance.

CHANGE AND ADAPTATION:

Evolving priorities to meet the moment

Social impact leaders encounter events and forces that can shift their priorities significantly, even over the course of a single year. How they respond, and what they need from others in turn, are critical puzzle pieces to gaining a more complete understanding of where this fast-evolving field is heading. In this final section, we explore the ways leaders are adapting to the environmental dynamics discussed previously, and reflect on what they need to become more impactful and confident in the year to come.

Finding 7:

Acknowledging key vulnerabilities and the power of collective action, leaders are creating new frameworks for responding to pivotal moments and seeking strength in numbers
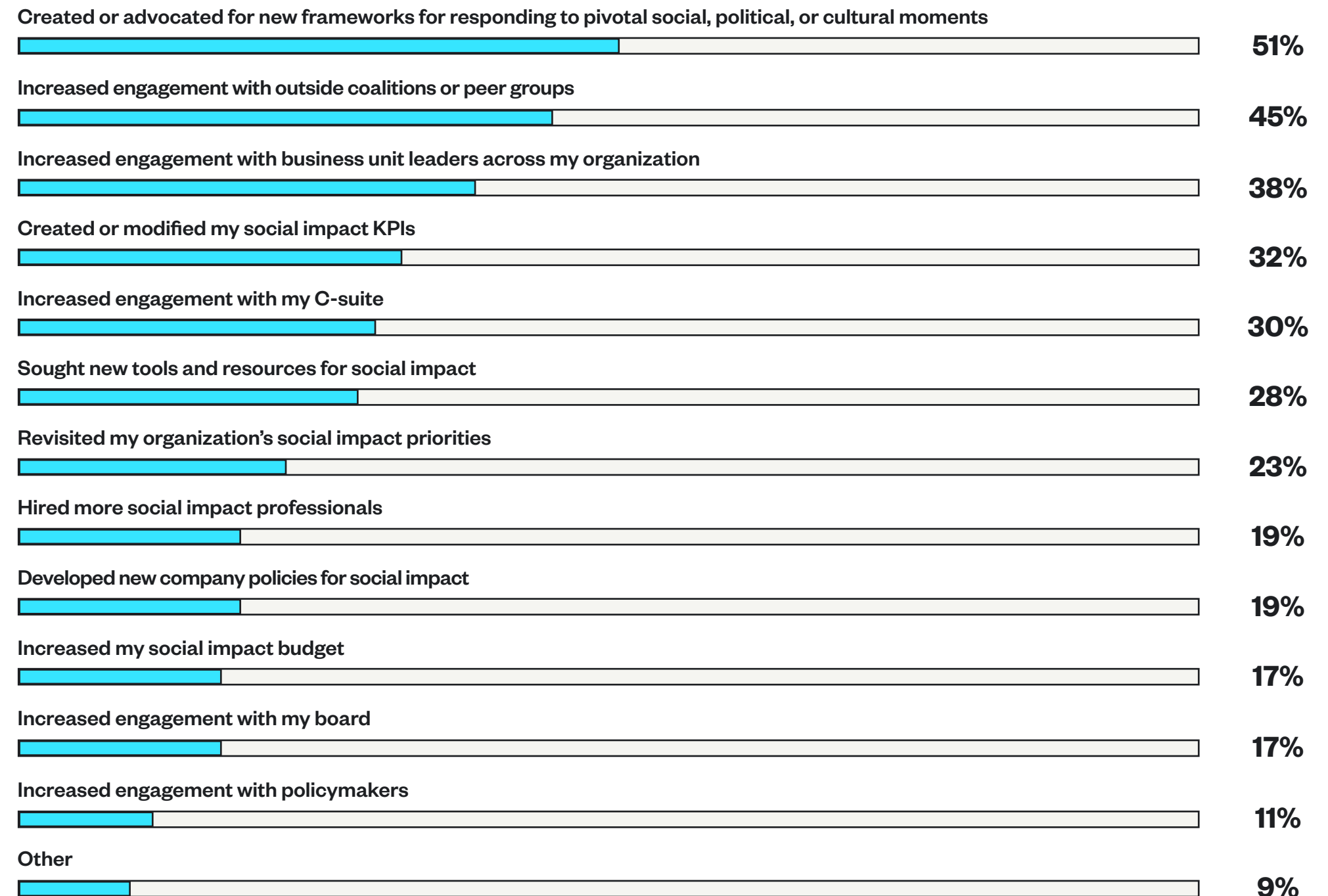
Over the past year, most leaders (66%) changed their social impact priorities at least moderately, a slightly larger number than those who anticipate making at least moderate changes in the year ahead (55%).

To what extent have you changed your job-related priorities or strategy during the past 12 months? How much do you expect them to change in the coming 12 months?

Not at all	Slightly	Moderately	Considerably
6% 9%	28% 36%	47% 51%	19% 4%

■ Past 12 months   ■ Coming 12 months
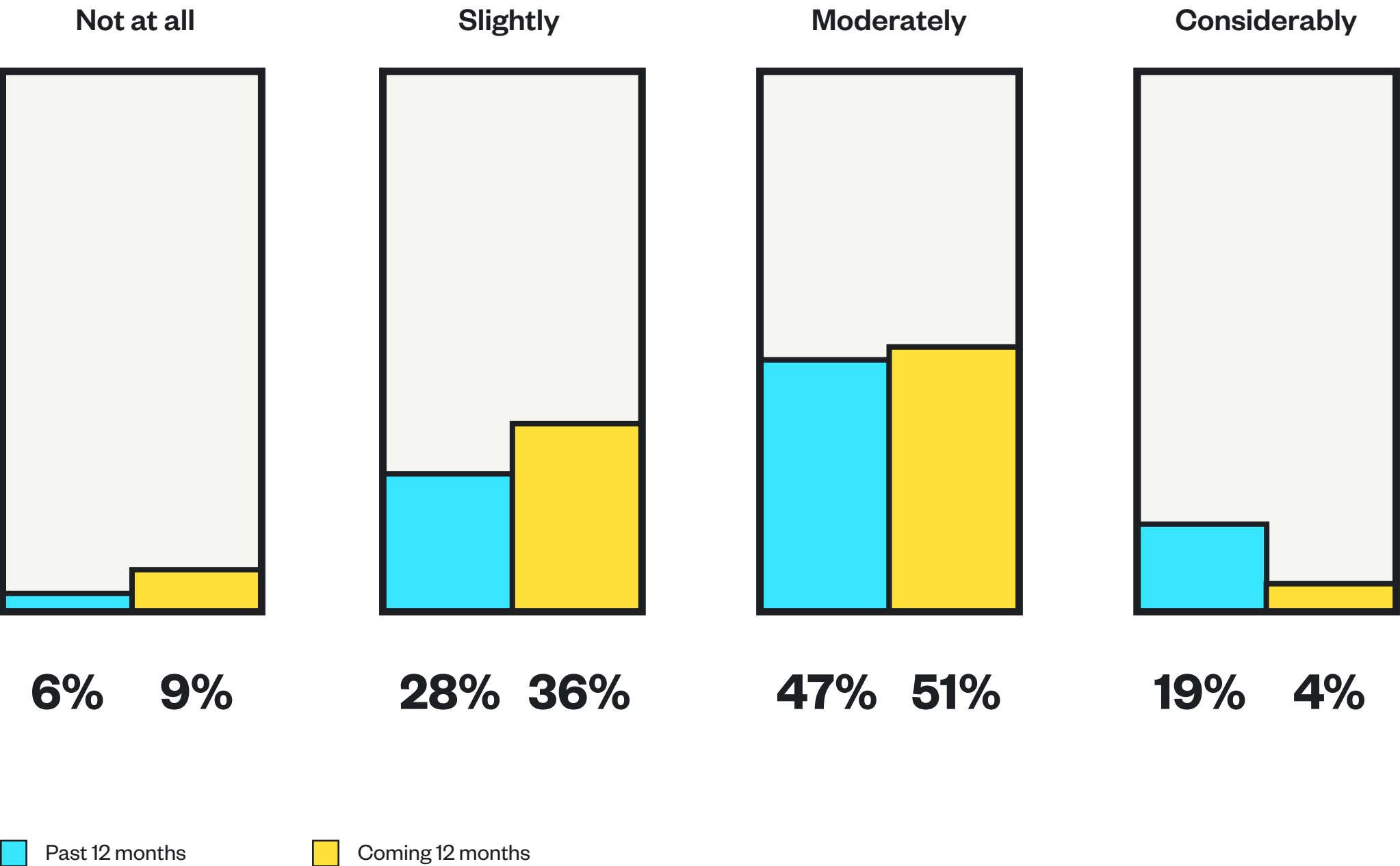
While the exact ways that leaders shifted their approaches in the last year vary, there are several commonalities. Reflecting relatively low confidence in their organization's response to challenging social and political moments, 51% of leaders sought to build new or better frameworks for navigating those moments going forward. Additionally, finding strength in numbers, leaders are persuing collaboration with peers and external organizations as a key backbone for their work. Almost half of leaders (45%) increased involvement with coalitions and peer groups in response to the conditions they faced in the preceding 12 months, indicating awareness of the power in collective action when confronted with ever-increasing social and environmental challenges. In keeping with earlier findings, social impact leaders do not appear to be making considerable new efforts to deepen collaboration with policymakers, illuminating a consistent area of relative disengagement and low prioritization.

Based on the most influential forces and moments you previously identified, what changes or planned changes have you made to your job-related priorities or strategy? (select all that apply)
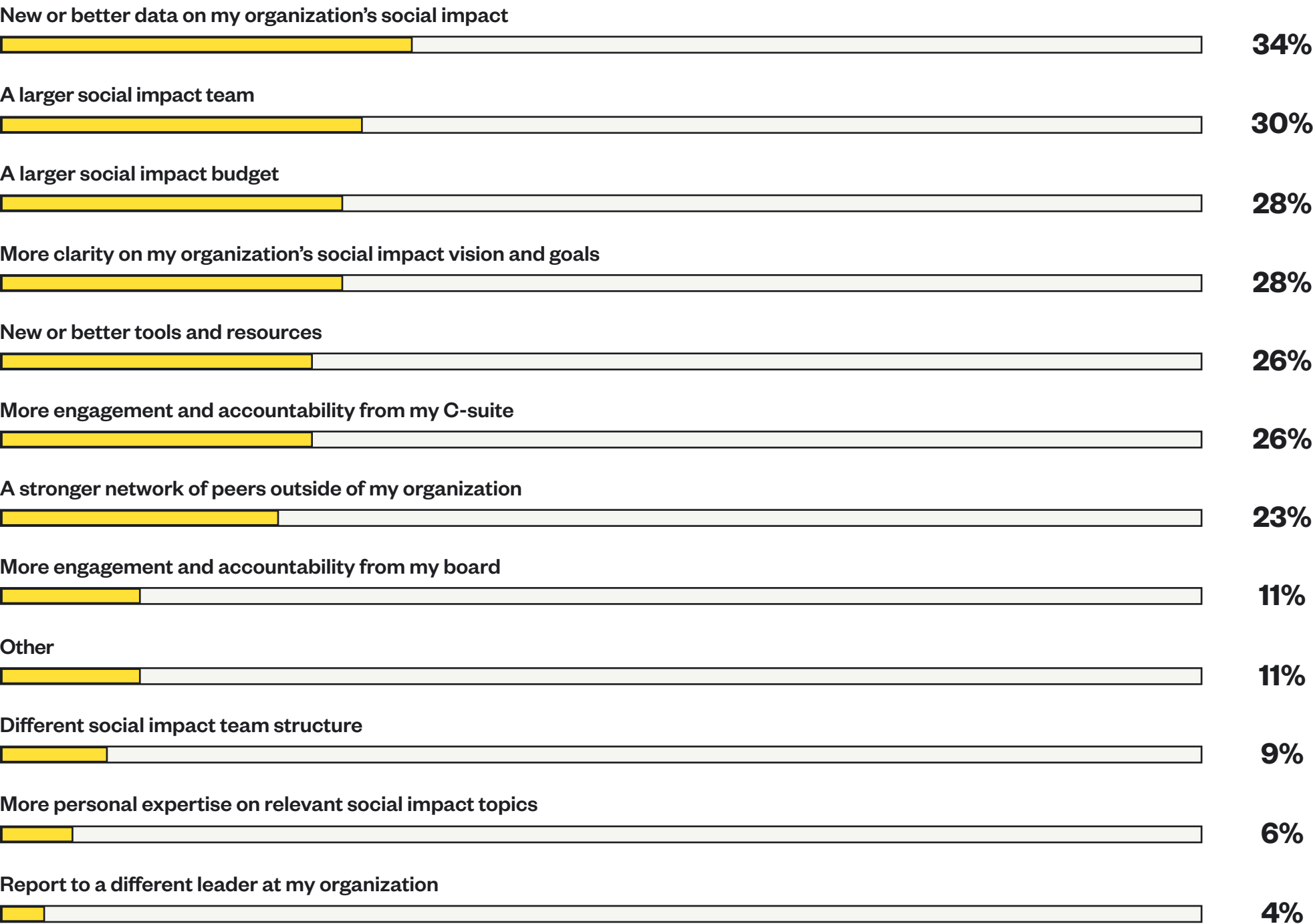
Created or advocated for new frameworks for responding to pivotal social, political, or cultural moments
51%

Increased engagement with outside coalitions or peer groups
45%

Increased engagement with business unit leaders across my organization
38%

Created or modified my social impact KPIs
32%

Increased engagement with my C-suite
30%

Sought new tools and resources for social impact
28%

Revisited my organization's social impact priorities
23%

Hired more social impact professionals
19%

Developed new company policies for social impact
19%

Increased my social impact budget
17%

Increased engagement with my board
17%

Increased engagement with policymakers
11%

Other
9%

Finding 8:

To become more confident about their paths ahead, leaders need more financial resources; they also need clarifying information about their organizations

When asked what factors would contribute to greater professional confidence in the year to come, nearly a third (30%) of leaders identified a need for more personnel and 28% indicated a need for a larger budget. The largest proportion of leaders (34%) indicated that better data on their organization's social impact would boost their confidence, and a similar number (28%) said the same for more clarity on their organization's social impact vision and goals.

What do you need to be more confident in your ability to advance your job-related priorities in the coming 12 months? (select up to 3)
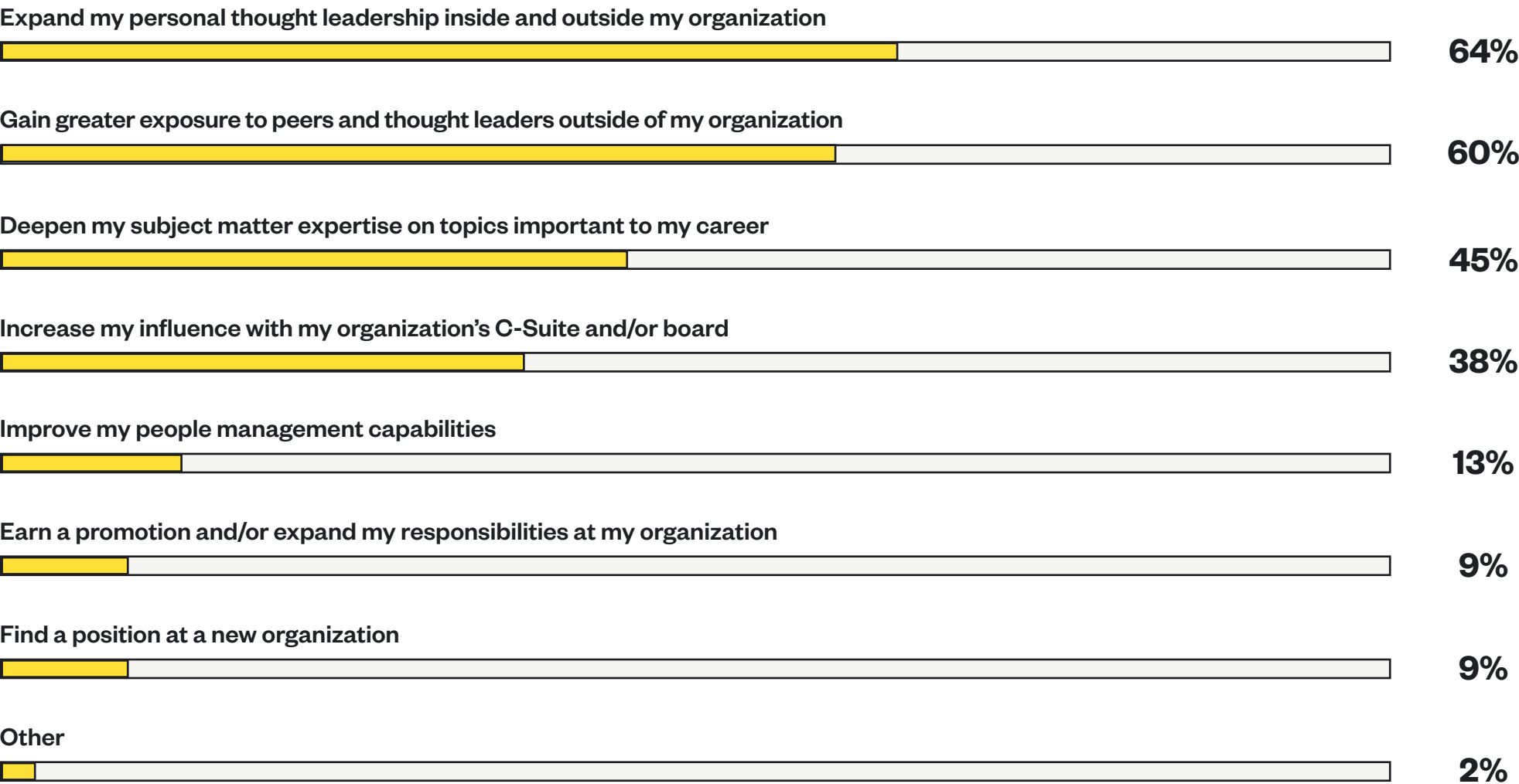
New or better data on my organization's social impact
34%

A larger social impact team
30%

A larger social impact budget
28%

More clarity on my organization's social impact vision and goals
28%

New or better tools and resources
26%

More engagement and accountability from my C-suite
26%

A stronger network of peers outside of my organization
23%

More engagement and accountability from my board
11%

Other
11%

Different social impact team structure
9%

More personal expertise on relevant social impact topics
6%

Report to a different leader at my organization
4%

Finding 9:

In considering overall career goals, leaders crave thought leadership – their own and that of others

Mirroring the ways in which they have adapted to influential forces and moments over the past year, ~60% of leaders say that opportunities for thought leadership and engagement with peers are key priorities for personal growth in the year ahead. Interestingly, although only 6% of leaders felt that they needed greater personal expertise on social impact topics to be more confident in their position, 45% expressed a desire to deepen their subject-matter expertise in the year to come. Few leaders hope to grow through job transition or increased people management skills.

In what way(s) do you hope to grow as a social impact leader in the coming 12 months? (select up to 3)

Expand my personal thought leadership inside and outside my organization

64%

Gain greater exposure to peers and thought leaders outside of my organization

60%

Deepen my subject matter expertise on topics important to my career

45%

Increase my influence with my organization's C-Suite and/or board

38%

Improve my people management capabilities

13%

Earn a promotion and/or expand my responsibilities at my organization

9%

Find a position at a new organization

9%

Other

2%

The takeaway

Most leaders adapted to a difficult environment in the last year by changing course in ways big and small. They pursued new frameworks for navigating difficult and unpredictable moments, brokered new relationships with peers, and reached further across their own organizations to develop stronger internal alignment. The next year will likely bring more change, and room for individual growth. As they look ahead, leaders are pointing toward information as the currency of greatest value. They are calling for better social impact data and clarity on social impact goals as instrumental to their job performance, and are showing a strong appetite for thought leadership to help catalyze even greater opportunities for impact.

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Questions or feedback?

NationSwell would greatly appreciate your feedback on this resource so that we can continue providing valuable insights to you and your organization. Please consider taking 30 seconds to complete this brief questionnaire. For more information about this project, please contact Liesl Schnabel (lieslschnabel@nationswell.com) and Nick Cericola (nickcericola@nationswell.com).

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