


# The 2014 GreenBiz NGO Report

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How Companies Rate Activists as Partners  
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**GreenBiz**  
group



# For years, we've seen corporations rated, ranked and reviewed by a wide range of NGOs. We decided to turn the tables.

We asked sustainability executives from large corporations to rate and rank 30 leading NGOs. As we tabulated the data, we created four category profiles that reflect how large corporations view the different NGOs.

- **Trusted Partners** – Corporate-friendly, highly credible, long-term partners with easy-to-find public success stories
- **Useful Resources** – Highly credible organizations known for creating helpful frameworks and services for corporate partners
- **Brand Challenged** – Credible, but not influential, organizations
- **The Uninvited** – Less broadly known groups, or those viewed more as critics than partners

This report is based on a survey conducted with the GreenBiz Intelligence Panel, made up of more than 3,200 members, mostly with U.S.-based companies across a wide range of industry sectors. More than three-quarters of responses came from companies with revenues greater than \$1 billion. Most of the results included in this report reflect the responses from panelists in large companies unless otherwise noted.

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# A BRIEF BACK STORY

It's 1997. The Kyoto Protocol is adopted. Greenpeace opens an office in China. The Environmental Defense Fund celebrates its 30th year.

And Joel Makower publishes [\*Sleeping with the Enemy: The Potential and Pitfalls of Business Partnerships with Environmental Groups.\*](#)

You can't Google it because back then the 56Kbps modem was just being introduced and GreenBiz.com was still a gleam in his eye. But it was one of the first reports to come out with research quantifying how corporations rated environmental NGOs and provided insights into the top NGOs of that time. We'll get back to some of those findings as we compare then and now, later in this report.

Six years later, the consultancy and think tank SustainAbility, in partnership with the Global Compact and the United Nations Environmental Programme, published

[\*The 21st Century NGO: In the Market for Change.\*](#) This report provides more of a behind-the-scenes look at the mission, strategies, and operations of global NGOs. The global focus can be unfamiliar to a US audience where NGOs work less with government and more with corporations, but the insights into NGO operations are invaluable. Their categorization of NGOs as sharks, orcas, sealions, or dolphins provides a useful framework for understanding the nature of different organizations; especially those that seek to polarize versus those seeking constructive partnerships.

Business-NGO partnerships were the focus of a later study produced by the Global Environmental Management Initiative (GEMI)

and the Environmental Defense Fund (EDF), entitled [\*Guide to Successful Corporate-NGO Partnerships.\*](#) The report is filled with case studies documenting good practices that led to successful partnerships between large corporations and a variety of environmental NGOs.

All of these reports provide insightful resources to help sustainability executives understand the benefits, risks and strategies for partnering with NGOs. But one piece was missing: how companies rated the benefits of partnering with a wide range of today's environmental NGOs.



# CORPORATE PERSPECTIVES ON NGOs

There is no one-size-fits-all perspective that can be applied to business-NGO partnerships as it can differ from relationship to relationship and project to project. But there are certain distinctions that can be made. On one end of the spectrum are activist NGOs that campaign against large brands, hoping to whip consumers or locals into a frenzy and change or halt the practices they deem unsustainable. On the other end of the spectrum are science-first organizations that seek to collaborate with government and business to find solutions to seemingly intractable problems. Each has a role in the business-NGO ecosystem.

Of course, some NGOs play at both ends of the spectrum — the classic good-cop, bad-cop scenario — along with every variation in between.

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# NAMING & SHAMING

For the general public, corporate-NGO interactions often show up as news coverage when protesters are arrested in acts of peaceful (and sometimes less-so) civil disobedience. Activists unfurl banners from the rooftops of corporate headquarters, march outside facilities or chain themselves to corporate assets. These acts are supplemented by the publication of exposé reports, media blitzes, social media campaigns, viral videos and more traditional stakeholder and shareholder engagements — all as part of an ongoing campaign. Some of these campaigns can be years in the making, and years more in their undertaking.

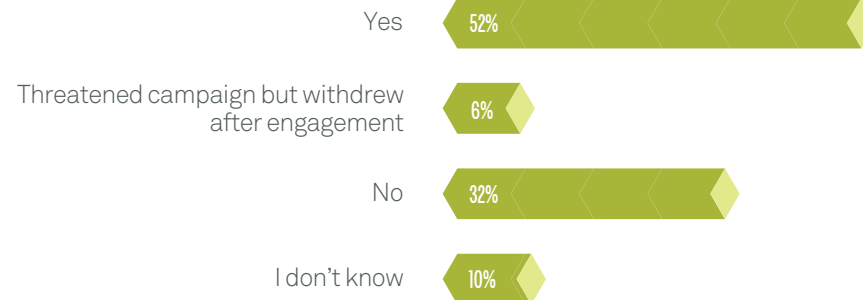
We began our survey by asking panelists if a campaigning NGO had targeted their company over the past five years. Just over half — 52 percent — said they had and another 6 percent had been threatened with an action that was withdrawn after the company engaged with the NGO.

A large number of these actions or campaigns were viewed as essentially benign: 42 percent view NGO campaigns against their companies as having been “neither positive or negative, helpful or harmful.” But 20 percent viewed NGO

campaigns as highly constructive in pushing their company to new levels of sustainability initiatives in ways that are good for the company.

Another 19 percent of those who viewed campaigns positively still noted the campaign was disruptive and expensive. Fourteen percent viewed NGO campaigns as disruptive and expensive and leading to little or no positive change in their company while 5 percent viewed campaigns as harmful to their company.

## Has A “Campaigning” NGO Targeted Your Company Over the Last 5 Years?





# WHY COMPANIES PARTNER

In 1996, the Conference Board surveyed 100 senior environment, health and safety executives regarding reasons and outcomes for partnering with nonprofits. Differing methodologies make it impossible to provide a precise apples-to-apples comparison. That said, the ranking of reasons to partner then and now is instructive. We asked panelists to force-rank the top three reasons their organizations partnered with NGOs. “Good corporate citizenship” topped the Conference Board’s list as

well as ours, with a weighted average of 17 percent. The similarities between the two lists ended there.

Rounding out the top five of the GreenBiz list are obtaining subject matter expertise (16 percent), gaining credibility (13 percent), tracking emerging issues (10 percent) and community relations (9 percent). This is in comparison to the 1996 survey, which placed community relations second and CEO/top management commitment

third. In the GreenBiz survey, management commitment ranked seventh.

For companies with revenues less than \$1 billion, good corporate citizenship is also at the top of the list (13 percent). But unlike their larger peers, CEO/top management commitment (12 percent) is the second-most-important reason for partnering with an NGO, with cause-related marketing third (10 percent).

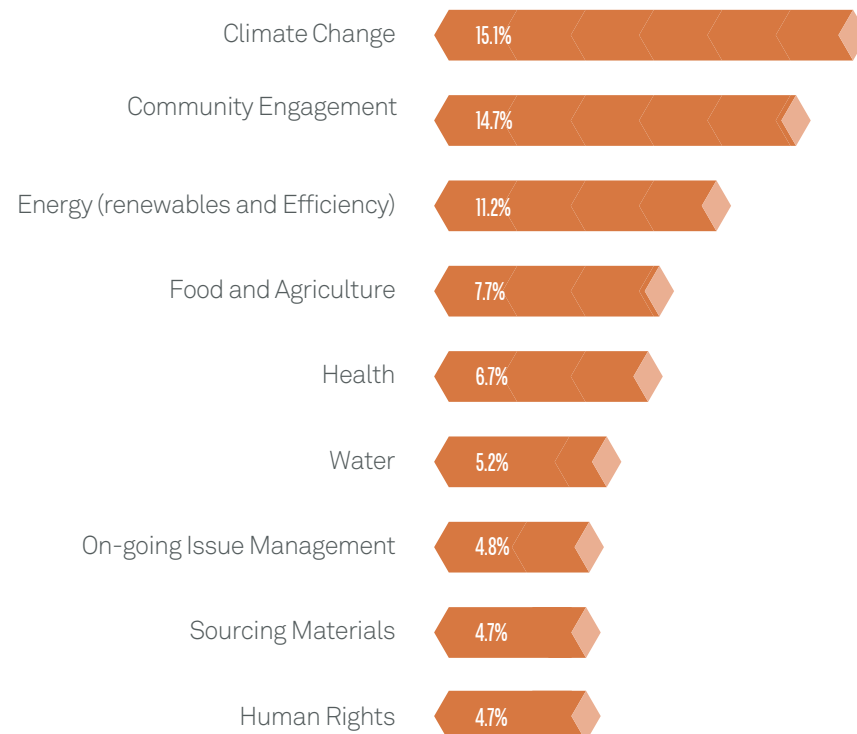
# PARTNERSHIP PRIORITIES

The top three priority areas for corporations to engage with NGOs — that is, the topics or focus areas of partnerships — are the same for both large and small companies: climate change, community engagement and energy (both renewables and efficiency).



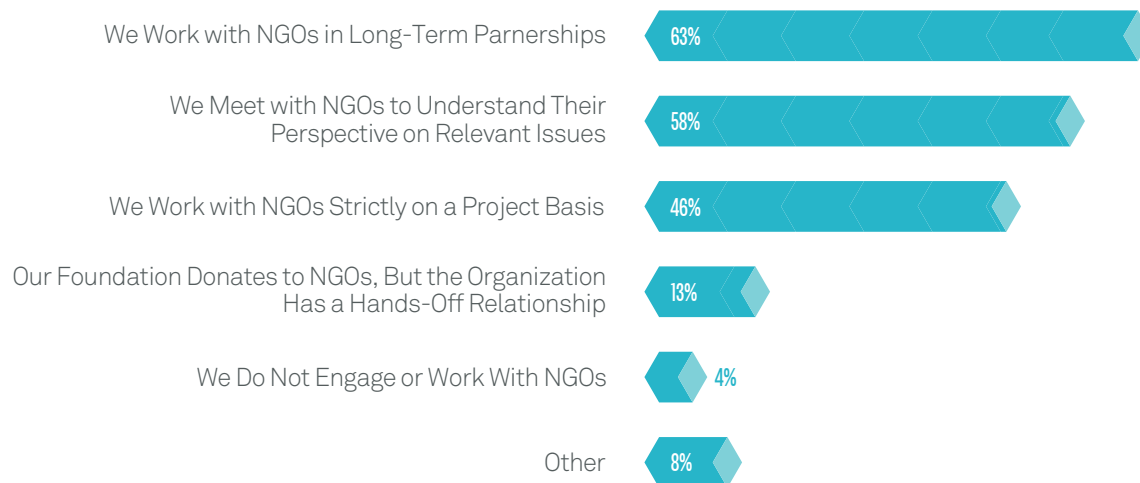
There are differences between the next set of priorities between large and small companies. Smaller companies rank water and raising consumer awareness as next on the list while more large companies identified food and agriculture and health as the next-highest-ranked priority areas for engaging with NGOs.

## Top Corporate Priorities When Engaging with an NGO



# DEVELOPING A WORKING RELATIONSHIP

## Corporate Preferences For Engaging NGOs



We asked our business panelists to identify the types of working relationships they preferred when engaging with NGOs. They reported that they prefer long-term partnerships over shorter ones, and look to NGOs to get their perspectives on relevant issues. Not quite half said they work with

NGOs only on projects, not on longer relationships. Perhaps encouraging, at least for NGOs, only 4 percent said they do not engage or work with NGOs.

Many of our panelists shared their experiences in terms of successful partnerships with NGOs. As one panelist remarked, “We are currently engaged in a very successful (and growing) engagement with the Global FoodBanking Network in an effort to help combat hunger in the areas and countries in which we operate. What has made this a successful engagement is that the organization is very interested in working with my company at a rate and commitment that we are comfortable with, but offers us excellent knowledge and resources for enhancing our efforts globally.”



# RATING THE NGOs

Companies have long been rated, ranked and reviewed by a wide range of NGOs, whether it's Greenpeace's "How Clean is Your Cloud?" scorecard or Oxfam's "Behind the Brands" rating of the large food companies. We decided to turn the tables and ask corporate leaders who form the GreenBiz Intelligence Panel to rate the NGOs.

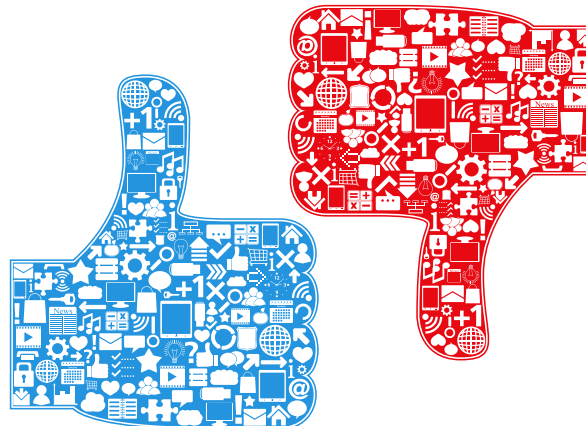
In this inaugural GreenBiz NGO Rating, we asked panelists to assess 30 NGOs in terms of their influence, credibility and effectiveness. Panelists were instructed to evaluate only the organizations they are familiar with or have an opinion about based on direct experience.

The following definitions were provided to the panelists:

- **"Influence"** is a measure of the impact the NGO has on issues.
- **"Credibility"** is a measure of the quality of the NGO's work.
- **"Effectiveness"** is a measure of the NGO's ability to get things done.

NGO's ability to get things done.

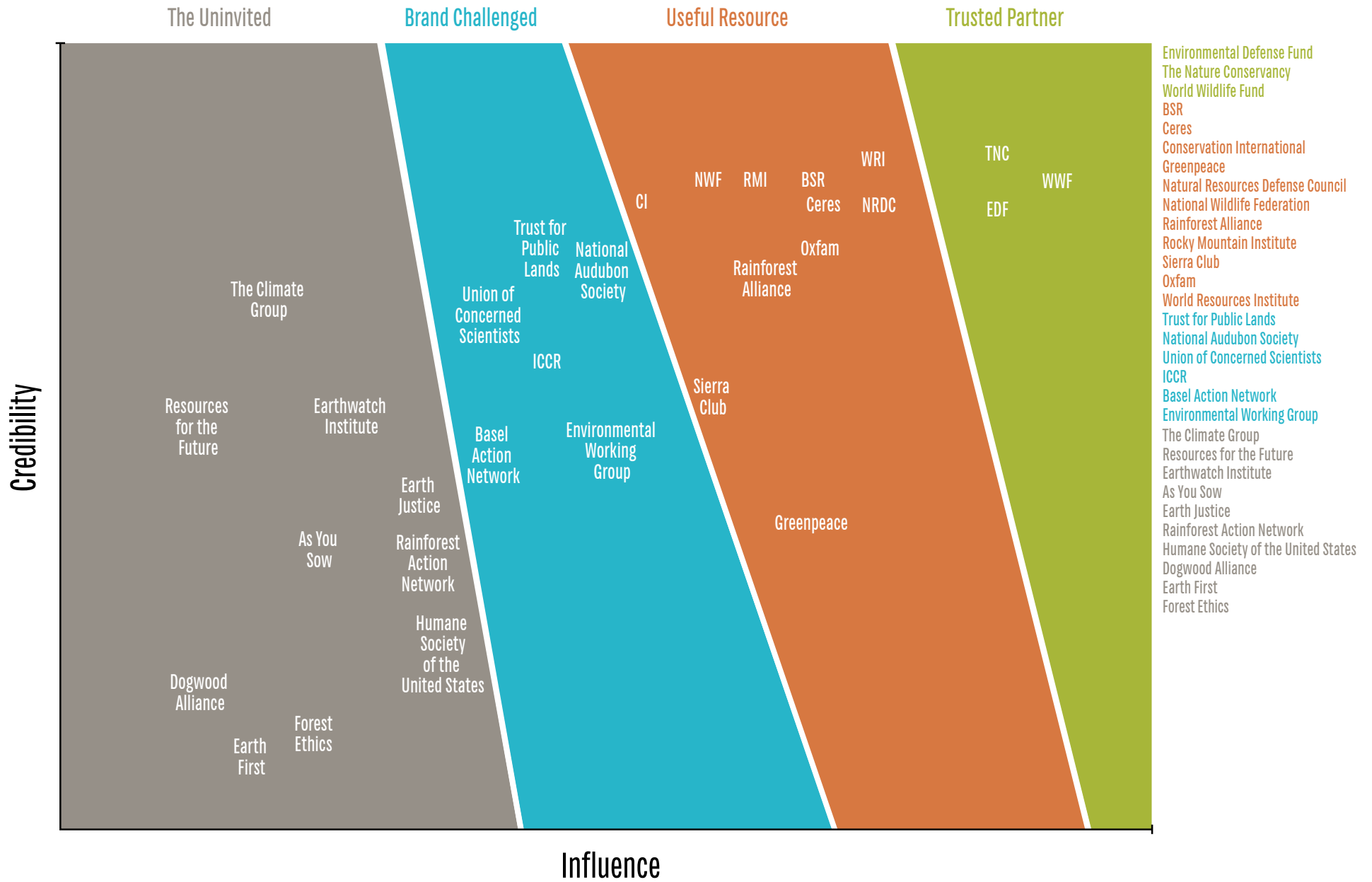
Panelists were informed that an effective NGO manages efforts to a defined schedule and meets or beats key milestones. For the most part, those that rated highly on effectiveness were viewed as highly credible, with a couple of notable exceptions that we will describe later in the report.



Once we tabulated the results, we grouped NGOs into four categories based upon how their corporate partners rated them:

- **Trusted Partners** – Corporate-friendly, highly credible, long-term partners with easy-to-find public success stories
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# How Companies Rate NGOs



# TRUSTED PARTNERS

Three NGOs stand at the top of the list when it comes to corporate partnerships. In no particular order, those are The Nature Conservancy (TNC), World Wildlife Fund (WWF) and the Environmental Defense Fund (EDF). TNC and WWF were also at the top of the ratings in Makower's "Sleeping with the Enemy" report back in 1997. EDF was more in the middle of the pack at that point.

All three of these organizations are engaged in very public, solutions-oriented partnerships with major corporations. They seek to leverage the scale of their corporate partners to make a significant impact on issues important to their organization.

- [The Nature Conservancy](#) website proudly proclaims how the organization has worked for decades with companies large and small around the world to help change business practices and policies, raise awareness of conservation issues and raise funds to support important new science and conservation projects. It is currently working with Dow Chemical to learn how to incorporate the value of nature into Dow's long-term strategy and objectives.
- [The World Wildlife Fund](#) is the most recognized NGO brand in the world. It has helped launch organizations such as the Forest Stewardship Council (FSC) and Marine Stewardship Council (MSC), which have gone on to become independent certification bodies for sustainable practices in their respective industries. More recently, WWF worked with the Roundtable on Sustainable Palm Oil to ensure that the organization's standards are based on solid social and environmental criteria, including a prohibition on the conversion of valuable forests to oil-palm plantations. This science-first approach is important when the organization publishes its scorecards for [retailers](#) and [manufacturers](#).
- [EDF](#) was founded by scientists and, as the *New York Times* noted, is "utterly nonpartisan, it is oriented toward practical policy solutions." Its work with McDonalds, FedEx, Walmart, and other brand leaders reflects EDF's desire to partner with the biggest corporations to achieve large-scale change.



A few of our panelists commented that they rated these NGOs highly but were concerned that the perception of them being viewed as a trusted partner of corporations would come with risks to their ability to be effective. Their long histories of successful partnerships should ease some of those concerns.

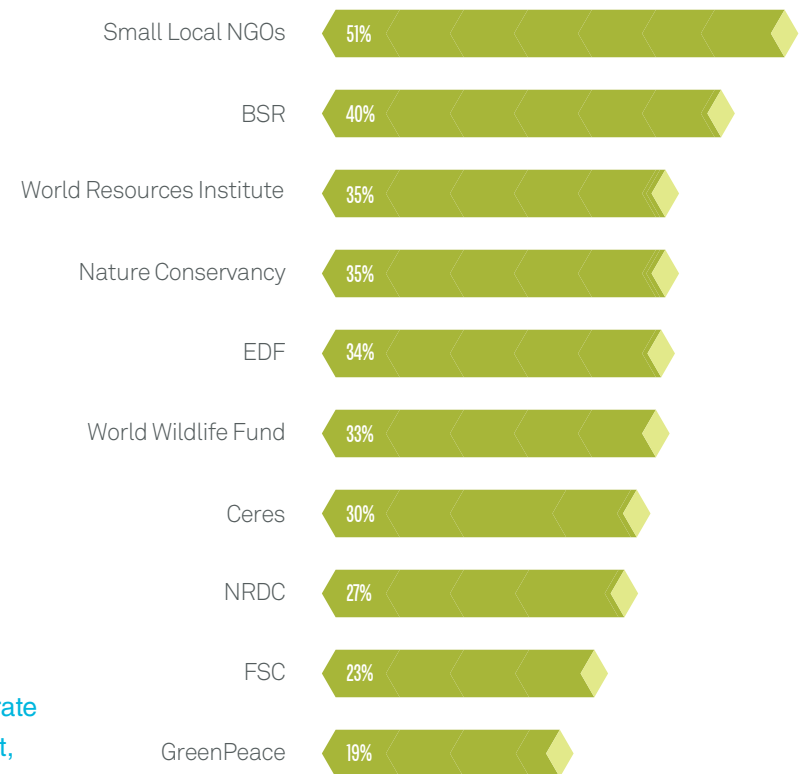
# USEFUL RESOURCES

## NGOs Companies Are Currently Working With or Have Worked With in the Past

As part of our research, we asked our panelists to identify which NGOs they were currently working with or had worked with in the past. Small, local NGOs topped the list, but they were followed by a number of organizations that we have characterized as “Useful Resources.”

The NGOs classified as useful resources are highly credible organizations best known for creating helpful frameworks and services for corporate partners. Examples of the resources we are describing include:

- **Ceres** created a [Roadmap for Sustainability](#) which details 20 specific expectations for corporate performance, broadly divided into four areas of activity: governance, stakeholder engagement, disclosure and performance.
- **World Resources Institute** may be best known for its partnership with the World Business Council for Sustainable Development to develop the [Greenhouse Gas Protocol](#) (GHG Protocol), the most widely used international accounting tool for government and business leaders to understand, quantify and manage greenhouse gas emissions.
- **BSR** (formerly Business for Social Responsibility) launched the [HERproject](#) in 2007, linking multinational companies and their factories to local NGOs to create sustainable workplace programs that increase women’s health awareness. BSR has more than a dozen other multi-company partnerships an working groups in place.





The NGOs in this category also tend to be the ones that companies are most likely to meet with to discuss important issues. In addition to the NGOs companies cited as working with in the accompanying chart, the Sierra Club and Rocky Mountain Institute also made it in the upper echelons of organizations that companies will meet with to discuss sustainability issues. There are outliers among the “Useful Resources” that can be viewed as somewhat schizophrenic. NRDC has been known to partner with companies at a national level

and take them to court on a local level. And yet, from our survey results, NRDC is ranked very highly in all three categories of being influential, credible and effective. Greenpeace may have the most well-known campaigns, since the organization is prone to literally shout from rooftops. An earlier target of one of its campaigns commented in the survey that his company is currently successfully engaging with Greenpeace. “We have built trust and demonstrated our commitment to the relationship. We include them in strategy

discussions along with having them review our sustainability report. We ask for their input and advice and check in regularly with them.”

While the Greenpeace overall credibility score was relatively low, in some sectors the organization was rated as high as any of the other NGOs providing useful resources. It was also rated as being as effective as others in its category.



# THE BRAND CHALLENGED

Perhaps the most vexing category contained NGOs that provide sound and mostly scientifically based resources, but which nonetheless lack influence. These are the Brand Challenged. In Makower's 1997 report, the National Audubon Society was ranked fourth after The Nature Conservancy, WWF, and the National Wildlife Federation. In our recent research, Audubon was viewed as credible but ranked 14th in terms of influence, just under the midpoint.

Other organizations in this category seem to be suffering a similar fate of good works going somewhat unnoticed, or at least unappreciated. We asked about NGOs where corporations had no interactions. Nearly a third had no interaction with the Trust for Public Lands (35 percent), Union of Concerned Scientists (34 percent) or the National Audubon Society (32 percent). However, both the Trust for Public Lands and Audubon were rated in the top half of effective organizations.

Many of the Brand Challenged groups offer important insights for corporate sustainability leaders. It may be time for them to invest a little of their supporters' donations in a marketing program to expand their influence and forward their causes.

# THE UNINVITED

The final group of NGOs, the Uninvited, is comprised of those that are even less broadly known or which have chosen to focus primarily on name-and-shame actions rather than on developing working partnerships with companies.

On its website, the Dogwood Alliance states that marketplace campaigns are a key factor in its work. But our panelists ranked them as the least influential and only slightly more credible than Earth First, a self-organizing group with no obvious funding and a vague (but slightly threatening) mission.

Of the Uninvited, only Rainforest Action Network made it into the top half of effective organizations. This more than likely reflects its effective and aggressive campaigns against large brands — as well as its partnership with those brands with which it reaches settlements.



# ADVICE FROM YOUR CORPORATE PARTNER (OR TARGET)

For our final question, we asked panelists if they had the opportunity to tell NGOs how they could improve, what would their advice be? Panelist verbatim remarks are provided in quotations. Here are the six pieces of advice for all NGOs.

1. Be realistic about the issues. “If you have every intention of protesting or campaigning against a company irrespective of the progress shown on an issue, then be upfront about it. Be transparent about issues outside the company’s control such as geopolitical, international trade subsidies and other issues some companies have little ability to influence yet cause environmental disruption and prevent real progress on certain sustainability issues.”
2. Make the effort to understand how businesses operate. “Take time to get to know the industry and the business and get educated on the entire supply chain, not just a brand name.”
3. Be solutions focused. “Enter each engagement with a clear plan of objectives and end state.”
4. Collaborate with business, and more importantly, with each other. “Increase your subject matter expertise with scientists and business people and employ fewer policy wonks and ideologues.”
5. Avoid generalizing the private sector. “There are some businesses contributing to the problems and some contributing to the solutions. Selectively partner with some and act against the others.”
6. Be more realistic. “Don’t require organizations to make unrealistic commitments and don’t reward organizations that make commitments that are unrealistic and/or give you money just to go away.”

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We’ll end with one piece of advice for companies: Make the effort to engage. Most of the NGOs highlighted in our research have a perspective that should be heard. Your organization may not agree with them, but at least hear them out. You never know what might result.

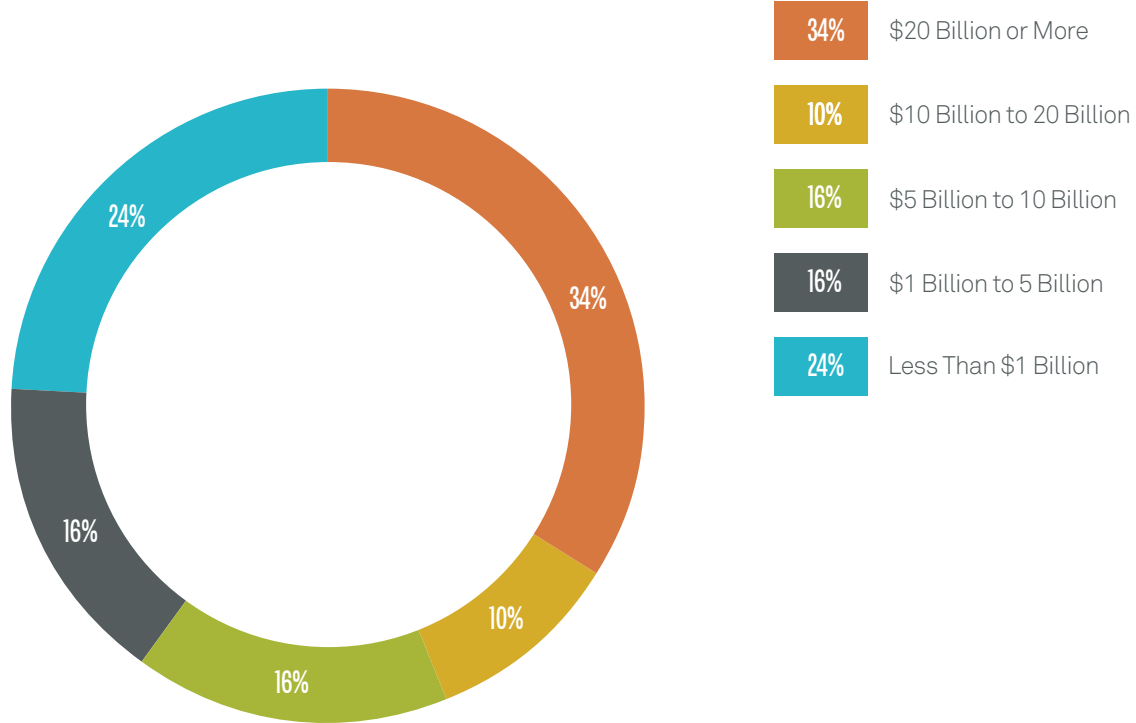


# SURVEY DEMOGRAPHICS

To compile our rating of 30 NGOs, we surveyed more than 3,200 members of the GreenBiz Intelligence Panel (you can sign up for future surveys [here](#)).

The overall response rate was 7 percent (233 panelists). Eighty-five percent of the panelists are U.S.-based and 76 percent of the respondents are from companies with revenues greater than \$1 billion.

NGOs Companies Are Currently Working With or Have Worked With in the Past



# GREENBIZ INTELLIGENCE PANEL



The GreenBiz Intelligence Panel is a research group made up of more than 3,000 executives and thought leaders in the area of corporate environmental strategy and performance. Panel members participate in brief monthly surveys, providing their expertise and perspective on corporate initiatives, laws and regulations, and scientific advances that are shaping the green agenda. Roughly 80 percent of the panelists come from companies with annual revenue greater than \$1 billion.

The results from these surveys appear in GreenBiz articles and reports, as well as custom research reports for corporate clients seeking to gain the views and perspectives on sustainability issues from a targeted business audience.

To participate in the panel, apply here:  
[www.greenbiz.com/panel](http://www.greenbiz.com/panel)