

Fortune for Whom?

Can we predict how likely Fortune ranked companies are to commit to sustainability and social equity?

Primary Question

Can I predict a relationship between the success of a company (as ranked on the Fortune 100 list) and their prioritization of both sustainability and gender equity?

Secondary Questions

- Is there a connection between revenue growth and commitments to social equity and sustainability?
- Which CSR and social equity variables are most related to revenue growth over time?
- Does the age of the company, the size of the company, or the primary industry of the company have a connection to how likely a company is to commit to sustainability, social equity, or both?
- What is the impact of a commitment to the sustainability or social equity to percentage of employee growth?
- Are companies making commitments to sustainability and/or social equity more likely to trade on the NYSE or NASDAQ?
- Can I build a model that can then test the Fortune 200 and the Fortune 500?

The Background

Sustainability

80 percent of respondents to a survey of Fortune 200 CEOs cite LEED, the world's premier green building program, as key way to communicate corporate sustainability efforts to stakeholders

82 percent of survey respondents from Fortune 200 companies are likely to continue using LEED over the next three years for new construction or retrofit projects

60 percent of surveyed companies believe LEED positively impacts their return on investment (ROI)

70 percent stated they pursue LEED as a means to save money by being more energy efficient

Gender Equity

Board of Directors who have 19-44% women representation have generated 26% more returns for their shareholders than those who have none.

Both

Lafarge, a USGBC Gold-level member, is recognized as an "Employer of Choice" in at least 20 countries based on their work in both gender inclusiveness and environmental sustainability.

Kimberly Clark, a platinum member, won the Catalyst Award last year for their work on diversity and inclusiveness.

Intel, another platinum member, is partnering in a campaign to advance women's employment in the private sector internationally.

The Data

Where did it come from?

Data set on Fortune 100 comes from Hoovers and is then crossed with USGBC's internal data

How has it already been treated?

The list of Fortune 500 companies (and all variable assets) was downloaded from Hoovers and then this list was run in excel to find occurrence of companies using LEED against internal Salesforce data by "DUNS" number.

Then a manual analysis within excel was conducted comparing companies listed as not being a match in the first match with the full list of companies extracted from the Salesforce database who are either LEED project owner or administrator. A total of four extra companies were identified via this process that were missed in the other matching analysis.

From Hoovers

- Fortune 500 Ranking
- Company Name
- Contact Prefix
- Contact First Name
- Contact Last Name
- Contact Suffix
- Contact Title
- Primary Address 1
- Primary Address 2
- Primary City
- Primary State
- Primary Zip
- Primary Zip Extension
- Primary Country
- Phone Number
- Toll-Free Number
- Web Address
- Line Of Business
- Facility Size (sq.Ft)
- D-U-N-S Number (a unique 9 digit number for each physical location of your business needed for companies to bid on government proposals)
- Doing Business As (colloquial name)
- Company Type
- Location Type
- Exchange
- Symbol Rankings
- FT 500 Ranking Lookup
- FT 500 Ranking Lookup
- Ultimate Parent
- Ultimate Parent D-U-N-S
- Immediate Parent
- Immediate Parent D-U-N-S
- EIN
- Fiscal Year-End
- Revenue (US Dollars, million)
- Revenue Growth (%)
- Net Income (US Dollars, million)
- Total Employees
- Employee Growth (%)
- Employees At This Location
- Total Assets (US Dollars, million)
- Market Value (US Dollars, million)
- Year of Founding
- Primary Industry
- Primary US SIC Code
- All US SIC Codes
- Primary US NAICS Code
- All NAICS Codes

From USGBC

- Whether a company uses LEED (meaning registered or certified projects owned or administered by a company)
- How many LEED projects they either own or administer.

Still Need

- Board of directors breakdown by gender (social equity)
- Whether the company is a member of USGBC (sustainability): just needs to be updated and added to the main spreadsheet
- Update the project ownership numbers to reflect list of owned and administered projects
- Stated commitments via CSR: how to do this: public CSR reports from 2013/2014? Maybe this will need to be coded and or the definition of the variable needs to be addressed (both sustainability and social equity)

At first look,

I realized...

...that I had filtered for just companies that use LEED by looking at the shape of the data.. `fort.shape` returned: (76, 41)

For comparative analysis I will need to have the full list. I will need to start testing relationships between variables as soon as I get the rest of the variables.

What next?

- Gather remaining variables
- Clean up and get organized
- Test several relationships
- Use model to test the rest of the dataset: Fortune 200, and Fortune 500