

JUST CAPITAL

NORC uses advanced analytics to create a consumer-relevant measure of corporate citizenship.

BACKGROUND

A growing number of Americans are increasingly concerned about the impact their decisions about where to shop, work, and invest have on the greater good. They want to shop at businesses that treat their customers fairly. They want to work at places that offer fair wages and Human Resources practices. They want to invest in businesses that protect the environment and are engaged in their communities. But to-date there has been no reliable, statistically valid measure that would empower consumers and investors—and businesses themselves—to make valid comparisons and informed decisions. JUST Capital wanted to fix that.

THE CLIENT

JUST Capital measures and ranks companies on the ethical issues Americans care about most so that consumers can use their purchase, investment, and career decisions to make the world a more just place. Since 2016, JUST has partnered with Forbes and NORC's Behavioral and Economic Analysis and Decision-Making (BEAD) team to compile the "JUST 100," a ranking of America's best corporate citizens as determined by their treatment of their workers, their customers, the environment, and a host of other issues.

"NORC developed an innovative way to measure the American public's assessment of a large number of business behaviors without overburdening respondents. Our approach allowed for accurate measurement of the weights for each behavior for use in the company rankings."

Angela Fontes, Program Area Director, Behavioral and Economic Analysis and Decision-making (BEAD), NORC at the University of Chicago

THE CHALLENGE

The challenge for JUST was to create a valid and viable measure of “good corporate citizenship.” That challenge required answering two questions. First, what issues do the American public care about most when it comes to the behavior of businesses? Second, how do Americans prioritize these issues?

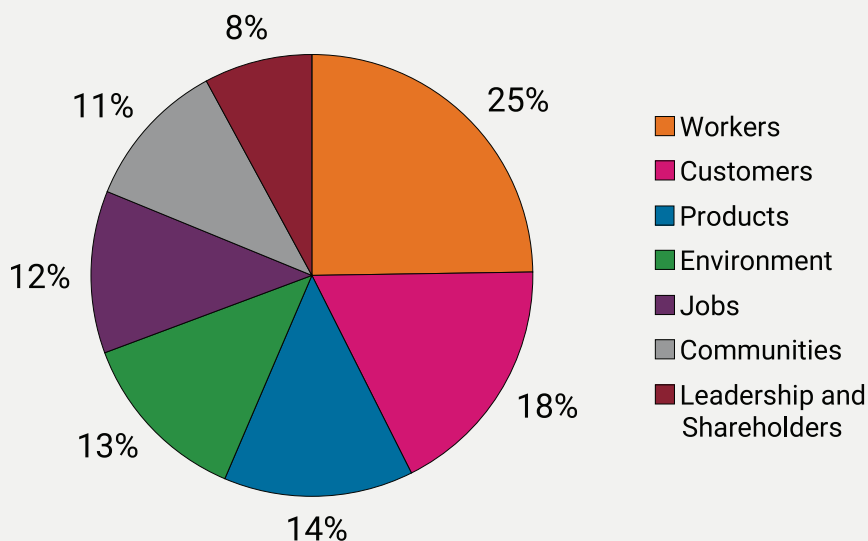
THE SOLUTION

To help JUST answer these questions, NORC conducted a two-phase national study of almost 8,000 Americans. In the first phase, the Listening Tour, NORC researchers traveled coast to coast to talk to everyday Americans about what business behaviors matter to them. We visited big cities, like Chicago and New York, as well as places like Spokane, Washington and Wichita, Kansas. In each location, people told us about the kinds of companies they want to work for, buy from, invest in, and have in their communities.

Next, NORC conducted a series of studies using maximum difference scaling analytics to determine “importance” weights for each of the issues that we identified in the Listening Tour. These weights became the ‘ruler’ that allows JUST to rank companies by how well they adhere to the values Americans think are most important.

RESULTS

NORC’s research and analysis revealed seven broad issues that Americans said were most important in deciding whether a company was a good corporate citizen. With this “ruler” in hand, JUST ranked the companies in the Russell 1000, an index of the largest companies in the United States. JUST’s ranking has been covered extensively in the business and mainstream press, and Goldman Sachs used the ranking to create the JUST ETF, an exchange traded fund that empowers investors to buy into companies that reflect their values.



HOW AMERICANS RATED SEVEN KEY ISSUES OF A JUST COMPANY

This chart shows the scoring weights of what the average American thinks are the most important issues when evaluating whether a company is just. The chart shows that the most important issue relates to workers with almost a quarter (23%) of respondents choosing this issue. On the other hand, 8% of respondents care less about issues related to leadership and shareholders when evaluating whether a company is just.

START A CONVERSATION

Behavioral analytics is one of many techniques NORC can use to help inform your strategic business decisions.

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