A Manifesto for the Corporate Idealist

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You believe that business can be a force for good—but know that it doesn't happen by accident.

You've chosen to work in a company—maybe even a big multinational one—as your way to have a positive impact on the world.

You struggle with how to reconcile your personal ideals with your company's mission: some days they're perfectly aligned, other days you feel like you put on someone else's skin.

You love the resources and reach of your company, but sometimes resent the bureaucracy and the pressure. Sometimes you're not sure if the priorities are right and the values true, but you're also not sure if that always matters.

You rolled your eyes at Occupy Wall Street's more extreme messages, but agreed with some of their rants against economic inequality and corruption.

You aspire to earn a comfortable living, but don't want to measure yourself by your salary or by your company's quarterly returns.

You are a Corporate Idealist. You realize that term sounds like an oxymoron to some, but know that business can do a tremendous amount of good in the world—even given the risks it can present to people and to the planet.

I'm a Corporate Idealist, too. I joined BP in 1999 as a summer intern between the two years of my MBA. At the time the company was led by John Browne, who was the first head of a major energy company to acknowledge the realities of climate change and urge action. He was equally progressive on human rights, recognizing that what was good for the communities around BP projects was good for business.

I fell in love with BP. I lived in Indonesia, China, and the United Kingdom, investing in the health and well-being of contract workers and project neighbors, partnering with nongovernmental organizations and working with colleagues around the world to support human rights.

Then BP broke my heart with a string of accidents that culminated in the 2010 Deepwater Horizon disaster. The image of BP that emerged in the aftermath of that disaster didn't at all resemble the BP that I thought I had gotten to know so well.

Or did it?

I looked for love elsewhere. I worked for a United Nations initiative on business and human rights, but the politics and the abstraction didn't suit me. The activists I saw in action struck me as passionate but impractical and relentlessly negative, focusing on what was wrong and what couldn't be, whereas I wanted to imagine what was possible and make it happen.

The more I flirted with others, the more I felt myself drawn back to business. I found the people in multinational corporations idealistic but pragmatic, earnest but self-deprecating, appreciative of the resources but wrestling with the responsibilities. In other words, they were just like me.

And their companies were as flawed and complex as BP, advancing human rights in some ways while compromising them in others. The companies struggling with accelerating global-ization, technology, and their evolving role in the world were not just in the industries whose problems have become well-known: oil, gas, and mining for the environmental and social damage where they pull up resources, and footwear and apparel for sweatshops. Joining the debate were internet companies, for involvement in censorship or surveillance; hardware manufacturers, for using conflict minerals and sourcing from factories with poor working conditions; and financial institutions, for funding harmful infrastructure projects and under-mining the global economy.

I realized that I am part of a global army of people fighting for better social and environmental practices inside multinational companies—with mixed success. I started to see every corporate disaster in the headlines differently. Instead of being mad at a monolithic, faceless corporation, I wondered about the people who were deep in the company, out of public view, pushing for policies and procedures that might have prevented the disaster from occurring. Why did they fail? How did they feel? And who are they—we—anyway?

We are Corporate Idealists. We're in Asia's factory zones, working with local managers to make sure employees are paid and treated properly. We're in Africa, sitting on dirt floors with village elders to protect indigenous traditions amidst an influx of foreign oil workers. We're in Silicon Valley, collaborating with product developers to better protect user privacy. We're in London and New York, convincing our directors that protecting people and the planet is good for business.

We have experienced heartache and disillusionment. But we also know that big business can make the world a better place, and feel compelled to do all we can to make that happen.

Are we delusional or realistic? Are we changing the way that business is done or tinkering at the margins? Terrified of the risks or excited by the opportunities? Is our love of big business justified or misguided?

Yes. This is our manifesto.

1 | What is good for society is good for my company.

Goodbye Enron, Madoff, and any other people and companies who think that the way to make money is by harming and exploiting others. They may have gotten away with it for a little while, but as Bjorn Stigson of the World Business Council for Sustainable Development has said, "Businesses cannot succeed in societies that fail."

Henry Ford famously doubled his assembly workers' wages in 1914, which had the dual effect of reducing turnover and helping create a market for his cars. Today, companies like Tau Investment Management and the brands that participate in BSR's HERProject like Ann Taylor and J.Crew are investing in projects that improve health, safety, and efficiency in developing country factories, knowing that what is good for workers is good for business.

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It's not just employees that present win-win opportunities for companies. The massive business opportunities of serving the world's poorest people—the so-called "bottom of the pyramid" (B.O.P.)—were first articulated by the late business guru C.K. Prahalad in 2006. Now B.O.P. strategies are key in industries ranging from healthcare to banking.

The companies that figure out how to align their interests with those of society will be the ones that end up on top. Oh, and they'll be doing good, too. Who doesn't want that?

2 | "Responsible business" should be redundant.

I started playing a little game with myself. Play with me.

If something's not labelled "green", I'm calling it "death":

- "I don't want to invest in this green fund, I'll pick this death fund instead."

- "The fair trade coffee is a dollar more per pound, I'm going to buy the slave trade coffee."

- "Honey, the organic beef is too expensive, get the meat of mass destruction."

Try it. Doesn't it make you wonder: Wait a sec, what is the default? See if it helps you reward the company behavior that you want to see.

But, you may be thinking, that stuff costs more. Why don't I spend less now, all the better for me to become a philanthropist later in life and do lots of good then?

That's not good enough with the state of the world today. We have to renounce the carbon offset model of living.

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Carbon offsets are a nifty invention, but to me they're a bit like having a piece of chocolate cake and drinking a Diet Coke and thinking that they cancel each other out.

I don't care how many youth soccer teams or charity bike rides a company sponsors—or how many super-cool innovative products it puts out there—if it can't pay people a decent wage and stop polluting. Companies must get their own houses in order, then they can turn their attention elsewhere.

3 | Sharing the stories of the people and communities my company affects is part of my job.

In his book *The Heart of Change*, Harvard Business School professor John Kotter shared a story from a manager who knew that his company was wasting huge sums from inefficiencies in its purchasing practices, but was having trouble conveying the magnitude of the problem to his management. He collected samples of the 424 different kinds of gloves the company was buying, tagged them with the wildly varying prices, dumped them on the boardroom table and invited in all of the division presidents. Needless to say, the manager got his mandate to change their practices.

If visuals work for gloves, they're even more compelling for people. Charities have known for a long time that the story of one child affected by a natural disaster brings in far more donors than statistics about how many hundreds of thousands of people are affected.

Corporate Idealists have told me that regular trips to the field arms them with stories and images to bring back to headquarters, and reinforces the importance of their work for their own motivation. Exposing their C-suite, colleagues, and business partners to stories and photographs of supply chain workers and communities moves them beyond cost-benefit analyses to genuine engagement and support.

One such Corporate Idealist told me:

I remember one time presenting to the CEO and CFO and bringing in photographs of a factory in China, real photographs of a factory that we produced in, and people were appalled. In subsequent meetings there was proactive follow up by the CEO and CFO saying, "Any update of that particular factory that you showed me those images of last meeting?"

If this is presented in a monitoring report or a dashboard, or the traffic light system which we always run through, there's no story behind that, no face behind the name of a factory in a province they've probably never been to in a town they have never been to. The image alone was enough to connect them. They may not have remembered the name of the factory, but they knew it was a factory in China and they saw some pictures they didn't like, and they want to know what has happened, and proactively.

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4 | I listen. Hard.

It seems pretty basic that a company should listen to its stakeholders. But when I first arrived in China to work on a BP joint venture with one of China's state energy companies, four years after the company officially changed its name from British Petroleum to BP, Chinese staff were still using the old name.

Turned out that with the wrong combination of context and tone, B in Mandarin can sound like slang for "vagina," and P like "fart." In the dialect of Guangdong Province, it can also mean "big pig." No wonder the new corporate identity hadn't caught on.

On a more serious note, my assignment in China was to ensure that the working conditions and dormitories for our migrant laborers would be up to international standards, and to ensure good community relations.

I needed to find the right words to build support for my plan with our joint venture partners. For the first few weeks, I tried presenting our goal as protecting the human rights of workers and communities. Contrary to popular Western belief that it's taboo or even dangerous to bring up human rights in China, I simply met with blank stares. "What does human rights have to do with us?" my Chinese colleagues asked.

Then I tried explaining that these were the standards BP used in its projects all over the world, but that fell flat as well. Our joint venture partners wanted BP's expertise, but on its own terms.

I went into listening mode, trying to figure out what might resonate. I ended where I should have started, with an appeal to what seemed too obvious and clichéd to be effective: pride and reputation. I peppered my slide decks with phrases about "reputational damage" and "international best practice," and suggested that ours could be a world-class model project if we used the standards I proposed.

"Oh, yes," they nodded. "Why didn't you say so earlier?"

5 | Evangelizing to my colleagues is not helpful. Figuring out how my work supports theirs is.

Those of us who have embraced sustainability and corporate responsibility can get a little preachy, but a number of Corporate Idealists have told me we need a different approach.

One Corporate Idealist told me that the days of evangelizing are over. "We spent the first ten years of our careers, those of us that have been doing this for a while, to try to convince people

they needed to be like us," he said. "Now you see us saying that's nice, but it doesn't work. You're not going to convince anybody. We have to help them do their job."

Another Corporate Idealist told me, "It's extremely dangerous if we end up just thinking that we have to convert the whole world, because that is not how it's going to happen."

As I found in China, listening hard for what motivates people, figuring out how my work supports theirs, and determining how my company's interests aligns with broader interests is a win-win-win.

6 | The "business case" is important. So is morality.

Yes, I know, the only "social responsibility of business is to increase its profits."

Poor Milton Friedman, always being quoted out of context. He actually said that "it may well be in the long run interest of a corporation that is a major employer in a small community to devote resources to providing amenities to that community or to improving its government." What he railed against was charitable acts that are not in the long-term interest of the corp-oration—which I'm not crazy about either.

Sure, companies have to justify expenditures like any responsible entity. There are price tags on some disasters: for example, the Deepwater Horizon explosion is said to be costing BP $42.5 billion and counting.

But remember when Ford came under fire after deciding not to add a safety feature to the Pinto because it cost more than the $200,000 value they set for a human life? There is room for morality in business.

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7 | No cherry picking.

Companies can't just address the issues that are the most obvious. Retailers might be rightly focused on their supply chains, but data breaches at Target and Neiman Marcus in early 2014 demonstrate that privacy had better top their agendas as well.

International standards like the United Nations Guiding Principles on business and human rights make it clear that all rights are relevant to companies, no matter where or what their business is. Companies should assess their risks and opportunities against all thirty rights and freedoms in the Universal Declaration of Human Rights; then by all means prioritize areas where risks to people are greatest, but regularly revisit the whole list.

As Chris Avery, founder of the Business and Human Rights Resource Centre, has written: "When it comes to human rights, companies do not get to pick and choose from a smorgasbord those issues with which they feel comfortable. The international community has declared all human rights 'universal, indivisible, interdependent and interrelated.'"

8 | If consultation and collaboration aren't both frustrating and worthwhile, I'm not doing it right.

You would think that after being instructed to play together during so many years of school and living with siblings, collaboration as adults would be easy. Particularly when it comes to tackling some of those big challenges that we all agree need to be tackled: workers should be treated better, natural resources should be conserved. Rocket science? You wouldn't think so.

But working together is difficult. There are a number of initiatives that have brought together companies, campaigners, and sometimes investors and governments; some of them have been effective, but they've all had their struggles.

The Voluntary Principles on Security and Human Rights were established in 2000 by extractive companies and human rights groups with the U.S. and U.K. governments. The principles have proven useful on the ground, but the initiative has struggled to agree on membership and reporting requirements.

The Global Network Initiative was created by Google, Microsoft, Yahoo!, human rights groups and other experts to protect privacy and free expression, but five years after its launch it only had six company members.

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In the wake of the 2013 Rana Plaza collapse in Bangladesh that killed over 1,100 workers, two initiatives emerged enlisting brands to pay for factory upgrades, but not without controversy: U.S. companies didn't want to sign on to the European agreement because of concerns over legal liability, so these two separate efforts will need to play nice and not make problems worse by imposing conflicting standards on already-stretched suppliers.
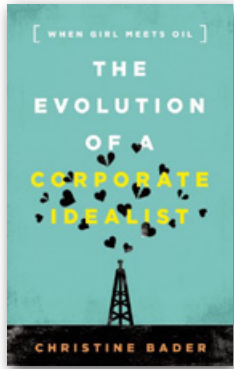
These initiatives provide an important forum for collaboration; the difficult issues that they were founded to address can't be solved by any one company alone. But they're really, really hard.

9 | The challenges we face are systemic and complex. But that doesn't mean I can't do anything about them.

Corporate Idealists know that tragedies like Deepwater Horizon and Rana Plaza were not one-off events, attributable to a few rogue actors. Those disasters were tragic examples of how the underlying complexities of our globalized consumption can go horribly wrong.

Such challenges can't be solved by firing one person, or with a new policy or CEO. They can only be solved if everyone plays their part—not just people in companies but investors, regulators, customers, the media, campaigners and the general public. **And if Corporate Idealists continue to have faith in their work—and themselves.** 🔖

Info

ABOUT THE AUTHOR | Christine Bader is a sought-after speaker and adviser on corporate responsibility, one of the few experts who has worked in business—both on the front lines and in headquarters—as well as in international policy, nonprofits and government. Christine is a Lecturer at Columbia University, where she co-teaches a course on Human Rights and Business. She is also a Human Rights Advisor to BSR, the world's leading business membership organization focused on sustainability.

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