

Making a Difference

All About People



An Interview with Thomas J. Wilson,
President and Chief Executive Officer, The Allstate Corporation

EDITORS' NOTE Thomas Wilson joined Allstate in 1995 and has since served in a variety of senior management positions, including President and Chief Operating Officer, President of Allstate Protection, Chairman and President of Allstate Financial, and Chief Financial Officer. Previously, he was VP of Strategy and Analysis at Sears, Roebuck and Co., and before that, he was Managing Director of Mergers and Acquisitions at Dean Witter Reynolds. From 1980



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to 1986, he held various financial positions at Amoco Corporation. He is a Director of the Federal Reserve Bank of Chicago, a board member of Rush University Medical Center, and a member of the Young Presidents' Organization, the Financial Services Forum, and the Business Roundtable. Wilson earned a master of management degree from Northwestern University's Kellogg Graduate School of Management and a bachelor's degree in business administration from the University of Michigan.

COMPANY BRIEF Founded in 1931 and based in Northbrook, Illinois, The Allstate Corporation (www.allstate.com) is the United States' largest publicly held personal lines insurer. A Fortune 100 company with \$156.4 billion in assets, Allstate offers 13 major lines of insurance, including auto, property, life, and commercial, plus a range of retirement and investment products and banking services. The company has 38,000 employees and, through 14,600 exclusive agencies and financial representatives and 17,000 licensed support staff, it serves 17 million households.

How important is corporate social responsibility [CSR] to Allstate's corporate culture?

It's very important to our culture. Because we don't make anything, we believe that success is all about people. For us, as a service organization, people are the key to our success. So, to make sure that we're successful, we need the best people. Among the things that help us attract and keep good people are the opportunities we offer for a fully engaged working life. Some of that engagement involves what happens in the workplace, and some of it has to do with the company's reputation. Being involved in the community and with nonprofit organizations helps in this regard.

A company like Allstate must be approached by many different groups serving different areas of need. How do you select which causes you will support?

We have some obvious focus areas for our company. One is safe and vital communities. Our business is involved in nearly every community in America, so the concept of community is very important to us. We also focus on economic empowerment. After all, we're a financial services company, so we're very involved in this area.

Tolerance, inclusion, and diversity is a third category. That relates to our activity around making sure we have the right people and that we're dealing with our customers appropriately. Safer, vital communities and economic empowerment are linked to what most people would see as our classic business model. Tolerance, inclusion, and diversity are linked into our focus on people.

We also have two signature programs run by our Foundation. One focuses on teen driving, which is linked to what we do. The other is domestic violence. In this case, we stepped back and looked at the big issues in America today – the ones that needed to be fixed and that fit within our three categories. We saw some white space in domestic violence. Not many corporations focus on economic challenges for survivors, but it's a huge problem. Twenty-five percent of women in America have been victims of domestic violence. Most of the money put into tackling this issue comes from the federal government. We thought that business could, and should, help out, so we jumped into this.

How does your diversity program work?

We call it "inclusive diversity." Some people say "diversity and inclusion," which makes it sound like the two things are separate, but we prefer "inclusive diversity." My view of diversity is that we are defined by the breadth of our differences. We are made stronger because of the breadth of our differences, and we should celebrate our differences. When you think about that definition, as broadly as you can, it becomes about more than just your race, your religion, or where you live. It really becomes an all-encompassing way of thinking about how you interact with others and get the most out of your relationships. That is very important for us as a service company, because if you have only

people, you need an environment that brings all those different points of view to bear in order to be very successful.

Is it possible to measure your CSR results?

Yes, it is. When we created the Foundation, we knew we needed good, clear measurements and metrics. A lot of donors spend time looking at organizations and asking if they do good work, if they're good people, if they have good concepts, and if there is a need in society for what they do. We spend probably as much time, if not more, asking what they are going to do with the money. We ask what they are going to guarantee, in terms of results, and how many people are going to be helped. One of our big, long-term, multi-year relationships is with one of the largest nonprofits in the country. We established goals with them regarding issues such as how many people were going to be trained, what results were expected, what kind of improvement they were looking for from the leadership. When they didn't reach their goals, we held back the year's money. We didn't tell them we weren't going to give them the money. But we did tell them that they had to prove to us they could improve their results. We stuck to our commitment, but we stretched it out a bit.

There are many positive CSR programs being run by major corporations like Allstate, but a positive public perception doesn't always follow. What can be done to get a positive message out?

It depends on the person and the company. We do a lot to try to tell people what we do. For instance, we have a corporate social responsibility report that we distribute each year and publish online. We belong to the Financial Services Forum, and a year or so ago, we put together a comprehensive book on all the great things that the top 20 financial services companies in the country were doing. It was quite impressive, but somehow it just didn't stick. That said, we shouldn't let that stop us. You've just got to keep doing what's right and keep telling your good story. Eventually, people will hear you. Most importantly, though, you'll have made a difference to the people you help, your communities, and your employees. ●

Tom Wilson presented 10 state domestic violence coalitions with an Allstate Foundation grant for \$50,000 each at the 3rd Annual Economic Empowerment Conference held in Chicago, Illinois, on October 10, 2007.