

Making a Difference

Purpose-Driven

An Interview with
Daryl Brewster, Chief Executive Officer, CECP

EDITORS' NOTE Daryl Brewster has served as the turnaround CEO of Krispy Kreme Doughnuts, Inc.; President of Kraft's \$6-billion North American Snacks, Confections, Cereal, and Pet portfolio; President of the \$2-billion Planters Specialty Products Company; and Managing Director of Campbell Soup's U.K./European operations. In addition, Brewster founded a boutique leadership consulting firm and serves on several public and private boards.



Daryl Brewster

ORGANIZATION BRIEF CECP (cecp.co), a global nonprofit organization, is a CEO-led coalition of more than 200 of the world's largest companies across a wide range of industries that believes that a company's social strategy—how it engages with key stakeholders including employees, communities, investors, and customers—determines company success. CECP helps companies transform their social strategies by providing customized connections and networking, counsel and support, benchmarking and trends, and awareness building and recognition.

Will you talk about some of the key trends you've seen in 2016 that you expect to continue into 2017?

While we still work with many companies on their corporate philanthropy, we're now talking with an increasing number of companies about their work as their "social strategy." This applies to the work they are doing with vital stakeholders, such as employees, customers, investors, and the community. One of the great benefits of CECP is that we talk with 100 companies every month, someone in our group attends virtually every conference in the social space that helps business interact with society, and we conduct the annual Giving in Numbers Survey, in association with The Conference Board, to track shifts in corporate social strategies. It gives us vital insight into the key forces and trends.

To that end, our sense is that for years we've talked about globalization, technology, and big data, and 2016 ended up being the year where the counterforces came out.

This was the year of localization – we saw that in electoral results. We've talked about big data, and this is a year that is much more about "my data" – I can pick and choose what I want to build my case.

While technology continues to be a powerful part of society, just as there is high tech, there is a real emphasis on high touch.

Is the focus around purpose and purpose-driven brands becoming more common?

We have seen six big trends out there: purpose-driven is at the top of the list; the second is a longer-term time horizon; the third is the next phase of employee engagement; the fourth is we're really seeing advocacy as a business strategy; and the fifth area is global challenges and companies collaborating on key global issues. The final area is leveraging assets in a variety of ways that benefit society.

While many companies have a tagline around purpose, what is necessary for it to truly become embedded within an organization?

We've seen four areas that really define it. First, is that it includes multiple stakeholders. Second, it also needs to have a longer-term time horizon. Third, it comes with metrics that are relevant. Fourth, it's an overarching idea that transcends the business of today and provides inspiration to the broad organization.

From our work, we've seen a few companies that are living this and have ingrained it within the organization, such as Pepsi and Target. About half of them are somewhat engaged with purpose. When companies get this right, they are creating value at a faster pace and retaining employees more effectively. It's a winning approach.

How critical is it that CEOs are on board with this kind of engagement?

CEOs must lead this effort and can do so by engaging their boards and listening to their key constituencies: their customers, employees, and the communities in which they engage. It's important to roll out a purpose that lives up to that. Leading institutional investors also need to be on board.

If there is a good sense of where an organization is going, that can help during the ups and downs that any business goes through.

Will you talk about the areas that will be of impact long term?

Eighty-six percent of the CEOs we surveyed at the 2016 Board of Boards indicated that they are too short-term oriented. Performance in the short term is still key, but it needs to be done in the context of a longer-term strategy.

We're rolling out the Strategic Investor Initiative in which we're engaging companies that are thinking about the long term and performing in the short term with investors who really care about that.

Will you touch on global challenges?

CECP launched last year the Global Exchange, a group of country-based, mission-driven corporate

societal engagement organizations united to advance the social sector as a force for good. Members around the globe exchange insights on local cultures, regulations, and practices to assist companies as they expand the global footprint of their community investment and their business. The Global Exchange builds upon CECP's work to gather data and research through its annual Giving Around the Globe survey and report, designed to offer insight into effective global CSR.

We're seeing a growing number of companies that are embracing the United Nation's Sustainable Development Goals that were signed onto over a year ago by the UN and nearly 200 countries. There are 17 different goals and we've seen companies coming together around single topics that are too big for any one company to solve alone. They are addressing significant issues such as disaster relief, healthcare concerns, and supply chain areas.

Will you talk about the new projects you're launching?

Our 200 companies with which we engage help us set our agenda as we move forward.

We have added elements such as a Social Score Card to our current offerings so companies can see how their societal commitments measure up based on others in their space.

We're also finding great success with roundtables by industry, issues, or geography. We bring companies together with common challenges so they can share best practices with each other.

Our communication group is leading efforts to capture the trends and publish them, but has also had success with communication audits to help companies build that capacity within their societal investment efforts and integrate that work into the brand, communications, and marketing work of the broader company.

We also launched a new CECP website to effectively share our resources, such as our company case studies and our Company Spotlights.

In addition, we're also speaking with many CEOs on a one-on-one basis around strategy.

How critical is listening to your members and engaging them in the direction of CECP going forward?

We instituted a constituent voice effort so we could hear directly from companies about what they're interested in based on our services.

We engage companies through an annual retainer fee at CECP, which through their renewal each year indicates whether companies believe in what we're doing or not, and we have extraordinary repeat rate. ●