

# 2012 Board of Boards CEO Conference, New York City



Shelly Lazarus, Chairman of Ogilvy & Mather (left) and Angela Ahrendts, CEO of Burberry (right) at the 2012 Board of Boards CEO Conference

By Charles Moore, Executive Director, Committee Encouraging Corporate Philanthropy

**EDITORS' NOTE** In this article, Charles Moore, Executive Director of the Committee Encouraging Corporate Philanthropy (CECP) and former CEO of a number of companies, including Lapp Insulators, Allied Thermal, Clevepak Corporation, and Ransburg Corporation, provides insight into the key findings of the exclusive conversation that took place at CECP's 7th annual Board of Boards CEO Conference in New York City on February 27, 2012.



Charles Moore

**ORGANIZATIONAL BRIEF** CECP ([www.corporatephilanthropy.org](http://www.corporatephilanthropy.org)) is the only international forum of global CEOs and chairpersons focused on increasing the level and quality of corporate philanthropy. Membership includes over 180 leading business executives whose companies collectively account for over 40 percent of all corporate giving in the United States. Next year's Board of Boards CEO Conference will take place in New York City on February 25, 2013.

On International Corporate Philanthropy Day, which was February 27, 2012, CECP convened more than 50 leading global CEOs – including executive delegations from India and Brazil – to discuss the theme “Next Generation Community Engagement: A Transformative Business Opportunity”. Attendees largely agreed that companies must take the lead on progress toward societal well-being while partnering and coordinating with government and consumers (see Figure 1). “My hope is that every CEO steps up. I think we as CEOs must take greater responsibility. Leadership is the real issue and it starts at the top,” said panelist Hikmet Ersek, President and CEO of The Western Union Company.

In the closed-door session, which has been consistently ranked among the world's top 10 executive events, an esteemed group of leaders focused on the opportunity for CEOs to guide consumers and investors along a path toward long-term societal well-being.

CECP's 7th Annual Board of Boards CEO Conference featured panel discussions focused on the crucial role leading CEOs can play in engaging the interest of consumers and shareholders in the company's community initiatives.

Conference attendees discussed the results of live audience polling and shared best practices from their experience on the front lines of these timely issues.

The program began with panelists Angela Ahrendts, CEO of Burberry, and Shelly Lazarus, Chairman of Ogilvy & Mather, investigating a recent spike in consumer demand for transparency regarding a company's community engagement efforts and the barriers preventing companies from making more socially sustainable business decisions. Audience polling found that 59 percent of CEOs reported that consumers are demanding greater levels of transparency regarding a company's community engagement initiatives than they were five years ago (see Figure 2).

Drawing on her extensive work with leading global brands, Lazarus shared the insight that a company's failure to conceptualize its activities in a coherent way is often the biggest barrier that companies face in engaging consumers in their community-based engagement work. “A brand is more about what you stand for than what you sell,” she noted.

Next, panelists Ersek and Daniel L. Doctoroff, President and CEO of Bloomberg L.P., discussed the paucity of interest from shareholders in a company's community engagement work. Audience polling found that 52 percent of CEOs indicated that shareholder demand for transparency regarding a company's commitment to community engagement is unchanged from five years ago and that demand has not increased amidst the economic downturn (see Figure 3).

Panelists Ersek and Doctoroff were quick to note the implications of the discrepancy between the clear message customers are sending that companies become more engaged in societal issues and the lack of demand from shareholders for evidence that companies are responding to this trend. Attendees asked: Shouldn't investors be supportive of strategies that respond to market concerns?

Panelist Doctoroff, leveraging his insight on trading behavior, shared his perspective that the lack of interest by shareholders is largely due to the absence of practical, agreed-upon industry metrics that allow investors to assess more meaningfully the financial impact of companies' community engagement initiatives: “We know that good companies tend to perform better, but until there's proof of that, I don't think you're going to see a whole lot of interest from investors.”

For more information, please visit [www.corporatephilanthropy.org](http://www.corporatephilanthropy.org).

## CEO Poll Results

FIGURE 1

In the marketplace, who will lead progress toward long-term societal well-being?

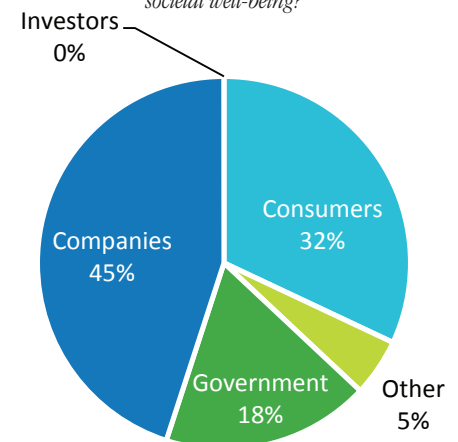


FIGURE 2

Are consumers demanding greater transparency regarding your company's community engagement initiatives than they were five years ago?

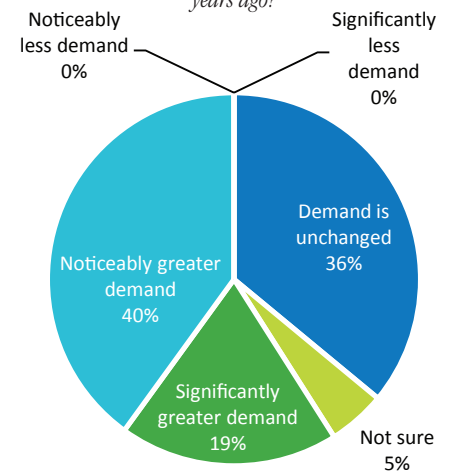


FIGURE 3

Are shareholders demanding greater transparency regarding your company's community engagement initiatives than they were five years ago?

