

*Pauliina Murphy leads advocacy and outreach for the World Benchmarking Alliance, which envisions “a society that values the success of business by what it contributes to the world.” At the Paris Peace Forum, she interviewed Brunswick CEO Neal Wolin, a graduate of Oxford University and Yale Law who formerly served as US Deputy Secretary of the Treasury.*

**Neal, are expectations changing for the role that business plays?**

Expectations of business have changed. Many stakeholders—employees, consumers, regulators, even competitors—have created a new circumstance in which companies understand that they need to engage in the world in ways they weren’t five or 10 years ago. They understand that if they do it in a thoughtful way, there’s an opportunity for them to explain who they are and make their contribution to progress on some of the biggest issues in the world.

Alternatively, if they sit on the sidelines—try to keep their head below the parapet—there’s a risk for them in that today, including, importantly, with their shareholders.

**Is it all companies or just a few? What trends are you seeing?**

It’s not all companies, but more companies than ever understand they need to think about the issues out in the world that affect them, whether those are geopolitical, social or other issues. Authenticity is important: making sure it’s related to their core business model; making sure they’re actually doing things, not just saying things. More and more, the CEOs, the boards, the senior executives at the companies I advise—and that we as a firm advise—understand what the world now expects of them. There’s an observable trend that’s growing in momentum.

**What kind of issues are you seeing companies engage with?**

There’s a particular need for companies to respond quickly on climate and all kinds of inequality, as well as questions of global public health—how that affects the companies themselves, and their employees and the communities in which they exist or the broader communities of customers they serve. Those are big issues where companies can think about their role: What’s the part they play? How can they be part of advancing progress? There is no one-size-fits-all template, but companies do need to figure out where they want to be and what works for them in how they position themselves in the world.

Brunswick CEO **NEAL WOLIN** was interviewed at the Paris Peace Forum by **PAULIINA MURPHY**, from the World Benchmarking Alliance.



# HIGHER Expectations

And this is garnering substantially more attention at the highest level of companies.

**If a business leader asks you if it’s worth it to engage, how do you respond?**

We have a lot of conversations with clients about how to take stock of what matters to them and to their stakeholders, an inventory almost—to understand where it’s OK to be quiet, or to be a follower, or where there’s a risk in engaging or an opportunity to take a leadership position.

There’s a risk sometimes in not being heard. Take the Black Lives Matter movement in the US. Companies that were not seen to respond effectively to the structural questions of inequality, faced a real



downside risk with their employees, and their future employees and their wider reputation.

**What do you think of how businesses are responding on issues of sustainability?**

There's no doubt that as a planet we need to accelerate our efforts and push forward with a stronger pace on issues related to sustainability. Some companies are in a leadership role on that and some are more in the wait-and-see category. There is a wide dispersion. What we try to do is to help companies understand what their opportunities are, what the risks are and how to go about this in an authentic way—how to build it into what you do as a business, as opposed to being a sideline activity. It's when you build it into your business model and invest in it that this really takes hold and has the intended effect. You need goals, the ability to track progress and to work in partnership with others. I would say different companies are at different places on this journey.

**Is there a backlash?**

It's complicated right now. The political environment in the US, for example, means you're going to make half the country unhappy whatever you do. That's a tricky place for companies to be. That's why it requires companies to be clear about what's important to their business model, what makes sense for them and how they want to show up in the world.

“It's complicated right now because in the US you're going to make half the country unhappy no matter what you do.”

It's an evolving situation and, as it develops, there are more and better examples of companies making noteworthy contributions on sustainability issues. I think people will come to believe that it makes sense to have companies alongside governments and civil society as partners in getting from here to there on these big issues.

**With so much political uncertainty in many countries, do you think businesses can take a more leading role?**

We try to explain what involvement might look like to take a leading position on biodiversity or climate or health care or the future of work, for example. We show how you might fashion a program, lay out a set of goals and a set of measurable activities that people can understand and see how they're connected to actual progress. As is evident at the Paris Peace Forum, this is not just about involving companies; it's about how the private sector partners with civil society and with governments.

**Do you see an opportunity for sharing good practice between sectors?**

There's an enormous opportunity for businesses and governments and multilateral institutions to learn from one another. In my experience, there's not enough sharing of perspectives, understanding, ideas and solutions. Multilateralism is very important in making progress on these issues. Many of the multilateral institutions we have were put in place after the Second World War and they need to meet the current moment. Part of that is having the North and the South in the same conversation. That's where the Paris Peace Forum plays an important role.

**How do we hold companies accountable?**

These issues are really about a company's core business. Questions of human capital, health, climate—these are core business issues for a lot of companies. If not this quarter or the next, certainly over the longer term. With accountability comes the need for different stakeholders to be heard; that's how we think about it at Brunswick Group. That's what I think of as accountability and leadership—whether it's within government or companies.

You can't wall yourself off from these questions in this world. I think we need to find ways to establish common cause. The prevailing thought here is that this is a shared endeavor among all these different actors in a very complicated but incredibly important drama. And businesses have the opportunity to be really useful participants in this venture. ♦