

INTEGRITY IS PLAYING AN EVER-LARGER PART in conversations around corporate values and purpose. The word has two distinct but related meanings. Most often heard is the one which uses integrity to describe a high level of honesty and trustworthiness. The other meaning reinforces this idea, describing how something holds together, how each part is vital or integral to the whole. Shipbuilders might talk about the integrity of the hull of a ship. A business leader might talk about how values hold the company together.

The issues on which a company is expected to demonstrate integrity have expanded enormously. They go beyond commercial issues and now relate to the wider societal issues to which a company is integrally connected: employees' well-being or executive pay; issues around gender, diversity and inclusion. They include technology issues such as data security, privacy and the impact of automation on your workforce. They span the range of environmental issues from greenhouse gas emissions and climate change to waste, water and plastics.

The pressure to deliver financial performance has not lessened but it is now joined by a host of fast-changing, new priorities. The integrity and trustworthiness of a company are now as likely to be judged on this broader agenda, in the way they always have been on financial metrics.

The recent letter from US business leaders in the Business Roundtable marks the scale of the shift that, in Brunswick, we have seen under way for some time. It highlights, in the voices of CEOs, the growing recognition of the wider responsibilities of their organizations and the need to step beyond Milton Friedman's "shareholder only" focus.

For some time, one of our fastest-growing areas has been working with companies on a social narrative that can sit alongside—and reinforce—the financial narrative. But words alone will not suffice; to demonstrate integrity, such a narrative has to be brought to life. It is tough out there; it remains a hostile environment for business leaders. Organizations of all kinds are being challenged as to whether they are really "living" their values, whether they are integral to the purpose of the company and represented in how the company talks about itself and how it reports performance.

One of the most exciting aspects of this conversation is how the rise of environmental, societal and governance factors (ESG) is taking hold in the investor community and, along with that, employee engagement and even activism in these subjects. Many of the crises we deal with stem from the breaking of a

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societal pact with one or more of those stakeholder groups on one or more of these issues. Customer data has not been properly protected; the bank has not been transparent; food or beverage ingredients raise health concerns; cars, trains or planes have failed to perform as they should from personal safety to carbon emissions. These are often breaches of customer trust, but the same can be said of dealings with regulators, suppliers, distributors, social advocates and, increasingly, employees.

Boards are seen as key overseers of a company's integrity on these issues. Governance is becoming a much more visible part of what holds an organization together. Part of the challenge is that it is hard for any large organization to change as fast as public opinion or technology. But leadership can signal its recognition of the issues and put forward a powerful point of view on the most material challenges and topics.

This new environment is by no means exclusively negative for leadership. Integrity, as a concept, has its roots in a personal context that is now being projected into a corporate setting. This is part of a much larger trend of seeing companies as reflective of individual values and an integral part of the health of a society, rather than purely as financial entities.

Today's technologies provide leaders with an opportunity to challenge the negativity so often associated with business management today. They can be on the front foot about how individual and corporate motives are connected, and create relationships that, over time, can build reputational capital—crucial when things go awry. We all know we are more forgiving of people we know better and whose motives we trust. But it takes work and commitment to build that kind of resilience.

It is easy to be daunted by the array of challenges facing businesses, but in the last few years I have found it inspiring to see how many of our clients are seeking impactful ways of combining old and new communications tools and ideas to mobilize their organizations. They are demonstrating the levels of integrity they expect from their companies, openly addressing issues affecting their sector and business.

We cannot solve all the problems in front of us, but we can show our commitment to being part of the solution to them. We can be clear about our motives and demonstrate them in the positions we take and through our actions. In a world that seems increasingly complicated and frightening, we see less trust in politics and politicians. Top corporates taking more of a lead is to be expected and welcomed, and it has the potential to be hugely rewarding. ♦