



# Board of Boards

10TH ANNUAL

## Winning on Purpose

Leading CEOs from around the globe gathered on February 23, 2015 for what *Forbes* has described as a “power player” event: an interactive discussion and case-study review in which business leaders shared strategies for creating a competitive advantage by infusing a higher purpose throughout their core business strategy.



Jacques Brand, Deutsche Bank



Robert E. Moritz, PwC US

## Winning on Purpose

CEOs at the Board of Boards defined corporate purpose and its tenets as follows:

**PURPOSE:** The belief that societal improvement is an essential measure of performance and central to the operation of business.

- 61% of CEOs report that their companies operate with a larger purpose, while 26% report that they are making progress on this.
- “Employees should provide the building blocks for corporate purpose so that they can easily exemplify and drive the behaviors. What’s right and what’s good for business are one and the same.” **Bob Moritz, PwC US**

**1. SPEAK WITH PURPOSE.** Purpose is standard operating procedure for a company. Employees understand it and apply it every day as they carry out their jobs. Together with their employers, they create a lexicon to describe how it feels to work at the company.

- 55% of CEOs report that the greatest benefit of expanding societal investment would be human capital, followed by brand enhancement (34%).
- “In 1952, George W. Merck said, ‘...medicine is for the people. It is not for the profits. The profits follow, and if we have remembered that, they have never failed to appear.’” **Ken Frazier, Merck**

**2. ACT ON PURPOSE.** Purpose makes company priorities clear to employees, who are empowered to make community-minded choices that are good for the business. Employees

demonstrate purpose every day through their job functions and individual actions.

- 79% of CEOs say that thriving communities are part of their mandate.
- “Employees at a plant in Jonesboro, Arkansas were told that the local landfill had closed. Instead of sending their plastic to a new town, they asked how they could recycle everything that goes out of the plant. This is our Performance with Purpose coming to life.” **Indra Nooyi, PepsiCo**

**3. HOLD UP PURPOSE.** Purpose holds true even in tough times; purpose-driven companies do not back away from being publicly transparent in times of crisis.

- “When a company encounters a challenge, all the great words in the world are not going to help as much as a few deeds. It’s not just listening. It’s not just what you say. How are you going to behave differently?” **Shelly Lazarus, Ogilvy & Mather**

**4. MAINTAIN PURPOSE.** Purpose has an eye on long-term results and does not shift based on quarterly results, economic trials, or leadership change.

- 40% of CEOs say that short-term shareholders most imperil corporate values, followed by competitive pressure to deliver more quickly and cheaply (28%).
- “Short-term fixes to protect yourself reduce trust and increase risk. Instead, leaders need to take the risk and weather the downturn. That’s doing the right thing.” **Tom Wilson, Allstate Corporation**



CECP Board Chair Doug Conant pays tribute to John C. Whitehead

## CEO ATTENDEE PROFILE

- \$2.3 billion in total annual giving
- \$311 billion in revenue
- 910,000 global employees



Shelly Lazarus, Ogilvy & Mather

*"CECP's Board of Boards serves as an excellent forum for sharing insights with top business leaders who are genuinely committed to tackling some of society's most challenging problems. Our companies depend upon, and contribute to, the social and economic well-being of the customers and communities we serve, and the opportunity to focus on that reality with like-minded individuals is highly rewarding and productive."* -KEN FRAZIER, MERCK

LEFT TO RIGHT: Thomas J. Wilson, Allstate Corporation; Lord Dr. Michael Hastings, CBE, KPMG International; Kenneth C. Frazier, Merck



## 2015 EXCELLENCE AWARD CORPORATE WINNERS

### CHAIRMAN'S AWARD

**PepsiCo**, Presented to **Indra K. Nooyi**, Chairman and CEO

### PRESIDENT'S AWARD

**PwC US**, Presented to **Robert E. Moritz**, Chairman and Senior Partner

## 2015 FORCE FOR GOOD CEO AWARD HONOREES

### COLLABORATION AWARD

**Thomas J. Wilson**, Chairman and CEO, Allstate Corporation

### FOUNDERS AWARD

**Kenneth C. Frazier**, Chairman and CEO, Merck

### LAWRENCE A. WIEN LEGACY AWARD

**Bill George**, Former Chairman and CEO, Medtronic, Inc.

### PACESETTER AWARD

**Hamdi Ulukaya**, Founder and CEO, Chobani, LLC



**CECP**

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## ABOUT CECP: THE CEO FORCE FOR GOOD

CECP is a coalition of CEOs united in the belief that societal improvement is an essential measure of business performance. Founded in 1999, CECP has grown to a movement of 150 CEOs of the world's largest companies across all industries. Revenues of engaged companies sum to \$7 trillion annually. A nonprofit organization, CECP offers participating companies one-on-one consultation, networking events, comparative data, media support, and case studies on corporate engagement. For more information, please visit [cecp.co](http://cecp.co).

The 2015 Board of Boards is made possible with support from Newman's Own Foundation and PwC US.

Additional Board of Boards takeaways can be found at [cecp.co/BoB](http://cecp.co/BoB).

Data Sources: Live CEO polling at 2015 Board of Boards: Winning on Purpose and 2014 *Giving in Numbers* annual trends report.