

Coming Soon: The Campaigning Corporation

Aligning corporate self-interest with real societal value—is it really possible?

BY PAUL GILDING

Could a large company campaign for social change? Could a global corporation grow market share by adopting some of the strategies of the NGO community? My answer is yes, and what's more, I think it's coming soon to a market near you.

Most people believe companies will only act in their own financial interest. Agreed. But many people then jump to assuming an inherent contradiction between doing that and benefiting the community, as though companies can only create value by "taking" it from society. Based on the corporate behavior of the last few decades, that's understandable. But there's nothing inherent in the corporate "form" that requires this to be so. In fact, the corporation was first created as an institution in response to specific societal needs—ranging from banking to railways.

So why not a kind of "privatized campaigning organization," one that pursues value creation for its shareholders not *while*, but *by* creating societal value—and then takes a fair share of the financial benefit that results?

What if an oil company like BP or a car company like Toyota decided that its long-term commercial interest would be best served by a rapid transition away from our carbon-intensive economy? What conditions would make this a good business strategy? For a start, they would have to conclude that they had the technology, the reputation and the culture such that speeding the transition would benefit them more than their competitors—that in a discontinuous shift, competitors would be too slow to respond.

And how would the public react? Probably by rubbing their eyes to make sure they weren't dreaming! Some NGOs would see them as direct competition. They would see a threat to their position as the guardians of all that is moral and righteous. Many anti-corporate activists would see something "unclean" about a corporate behemoth getting religion on saving the world. But others in the NGO community would realize they were on the verge of victory and see an offer they couldn't refuse. They would recognize the competitive advantage they could deliver with their reputation, knowledge of the environmental marketplace and their deep experience in campaigning. They would then negotiate to build new kinds of "joint ventures."

A credible corporate campaign would require logical alignment between the campaign they were pursuing and a company's products and history. An oil company couldn't credibly campaign on biodiversity. But if it was campaigning on climate change and had the answers to offer at a competitive price, where would the attack come from? What sins could these "campaigning corporations" be accused of? "Oh, they're only doing it for the money!" Wow, that's nasty—accusing a company of pursuing profit!

There's no denying that there would be obstacles in the way of pursuing growth in this way, especially if the companies involved were from the old school—used to working within their industry associations to fight off the enemy (ironically, that's usually been everyone but their competitors!). They would need to overcome the inevitable resistance from their

internal culture. Breaking ranks with your own and truly pursuing competitive advantage would be a mighty challenge to the (at times almost Stalinist) central planners of corporate America.

They would also need effective working relationships with the "industry leaders" in campaigning—the NGOs that have been doing it for decades. They would need to understand campaigning "best practice," something they're not likely to get from the McKinseys of the world, nor the PR spin doctors they've been used to working with.

None of this would be easy. In application though, imagine the resources available and the resulting benefits if corporate self-interest aligned with real societal value. Greenpeace's total global revenue is around \$150 million. BP and Ford's are each around 1,000 times that! What if these giants focused their resources on driving social change and thereby creating markets for themselves?

Granted, this may be wishful thinking. But I challenge anyone to say why it couldn't happen. I say it's just waiting for a visionary CEO to understand the commercial opportunity inherent in driving real competition. When they do, these are the kind of market forces that would turn me into a Friedmanite! @



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