

## Shattering the glass of corporate-speak by Kevin Sweeney

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The form and typeface clearly show we're reading a brief text message. Given the context, even with no details, we sense that the worker is confused and afraid.

*"We believe you very much. Hope you can keep secret our question. Why was a copy of the labor contract we signed with the factory not provided to us?"*

This note about factory secrecy and deception, sent to Reebok's staff, is one of dozens in the company's "2005 Human Rights Report." (Among other text notes: "Reebok please help," and "Factory paid us too few wage.") Reebok executives didn't bury that first quote in an appendix or hide it on a dense page. They put it on the cover.



Kevin Sweeney

Reebok has a good record on human rights issues, so why highlight the bad news? The answers are simple.

It makes the entire report believable. It also makes the report interesting. Think about the typical corporate social responsibility report. The cover has soft images, perhaps the faces of children of different races, and the text is bland. These reports tend to look and feel the same, and we often take the company's word with a grain of salt. Not so with Reebok. They shattered the glass of corporate-speak.

In shattering the glass, we get an audience's attention. We make it possible to be heard, to communicate. We build trust, which is essential to the work of sustainability, particularly if a company wants to work closely with its stakeholders. Trust is also essential in building and protecting a brand. What more is a strong brand than a name some have come to trust?

Shattering the glass requires different things of different companies. In its first corporate responsibility report, Chiquita (NYSE: CQB) listed a pair of interesting items in its brief company history: the company's connection to the Guatemalan army killings of laborers in 1928, and the 1975 suicide by CEO Eli Black after the company was implicated in an international bribery scandal. The tone in describing these events was neither defensive nor shameful; they simply walked us through their history.



I'm not recommending that other companies go this far. Chiquita needed a highly visible break from its past. Its predecessor company was United Brands, arguably one of the least ethical corporations in history. By the time of its report release, Chiquita had already done stunning work in improving its practices. Many of its facilities had been certified under the SA8000 program and the Rainforest Alliance's Better Banana Project; both suggested a good record in labor and environmental practices. Still, despite these improvements, they knew that many people would not believe them. Readers could easily dismiss the report with the obvious questions. What about Guatemala? What about "banana republics"?

By taking these questions on, with just a few references, Chiquita did two things. First, activists could see the company was willing to deal openly with any topic. The statements enhanced the entire report, making it believable. Readers were less skeptical about cases

where Chiquita said it was doing good work, because they knew Chiquita was willing to admit when it wasn't. Second, Chiquita changed its internal corporate culture. Senior executives told me that, when the history was published, employees had the sense that they could, for the first time, talk about anything. It was an important sign of management's openness to change.

In helping companies organize around or talk about issues of corporate responsibility, I tend to ask one key question: What is the scariest question you face? Once the answer is clear, we shift the discussion to whether or how we can talk about it publicly.

Sometimes, just saying the obvious truth is enough. At Patagonia, we opened the 1989 catalog with a rock: "Every product we make pollutes. Period." That essay, which announced steps Patagonia would take to reduce its impacts, helped build extraordinary trust and loyalty with customers, some of whom still ask about the essay a decade later.

When Ford's (NYSE: F) first corporate citizenship report said the company's SUVs had environmental and safety concerns, it was an "emperor's new clothes" statement; virtually everyone could see this, it seemed, except for the company itself. But when the company announced it publicly, it became a front-page story that enhanced Ford's credibility. There are dangers, of course. If a brutally honest statement is written poorly, the company can look callous. And these statements put companies on the track of engagement. Trust and interest are built, yes, but if these values are squandered, there can be a price.

There are challenges for staff and company leaders. When the Ford statements gained visibility, company executives disagreed on whether it was good or bad for their brand. Buy-in on the strategy — or even an understanding of the value of showing courage on a controversial issue — had not yet been achieved. The internal battles that followed slowed the company's momentum. The lesson: Buy-in on the strategy is essential.

Even with buy-in, another challenge arises. I've worked with companies where everyone agrees on the value of courageous communication. The problem: No one wants that honest statement to be about their issue. This is understandable, but giving in to this fear holds back the company. In these cases, shattering the glass may still be of value, but the company executive should do it.

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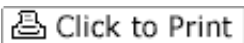
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