



Judul Buku:	The High Purpose Company
Pengarang:	Christine Arena
Penerbit:	Collins
Halaman:	304

Review by: *Laura Sether*

The epilogue of Christine Arena's *The High Purpose Company* refers to the "cosmic clockwork" of growing public interest in the synergy of corporate responsibility, environmental consciousness and solving social problems. Her timing couldn't be better. With the financial and critical success of recent films such as the Oscar-winning global warming documentary, "An Inconvenient Truth," and "Fast Food Nation," a fictionalized version of the best-selling book about the dark side of the fast-food industry, the mainstream American public has never been so engaged in how individual actions affect the earth and the lives of their fellow inhabitants. And corporate shareholders are upping the ante, having submitted a record number of socially and environmentally oriented proposals this year calling for direct action from U.S. companies on issues related to the environment, energy use, indigenous rights, labor standards, genetically engineered foods, drug pricing and the impact on global pandemics.

Arena's book is a welcome and unique addition to the field of corporate responsibility literature. She presents a thorough and compelling analysis of the qualities and actions of companies that demonstrate a true commitment to innovation, sustainability and corporate health. Arena ably demonstrates how some companies that crow the loudest about do-gooding don't pass the test of true corporate responsibility, and some companies with the most negative public relations perceptions are making the most authentic changes. Lesson one: good advertising and positive PR does not equal an effective high-purpose company.

Arena and her team of MBA candidates evaluated and rated 75 companies in terms of corporate responsibility and adherence to a high-purpose way of conducting business. While there certainly are ecologically friendly companies you might expect to find rated at the highest level, like Aveda, Patagonia and IKEA, there are also companies in the top tier that might not

come to mind immediately, like S.C. Johnson, Toyota and DuPont.

Arena's idea of a high-purpose company is one that has consciously adopted a higher purpose that governs and is reflected in everything they do. The purpose propels the organization forward in myriad ways, not just in terms of positive PR or brand distinction, but with better products and services, managers, business models and operational innovations. They solve environmental and social problems in ways that serve shareholders' interests. This is effectively a way that corporations can have their cake and eat it too. Rather than just accepting the toll the workplace takes on the worker, society and the earth, a high-purpose company creates safe and sustainable workplaces, processes and products, and makes the worker and the world that much better for it.

The top-rated companies "transform their intent into reality," by diminishing their corporate footprint on mankind and the environment by reducing injuries, toxic emissions and waste. The highest purpose companies are "anchored" and guided by their purpose "as the sole source of identity, stability and energy."

The results of the comprehensive analysis frequently defy commonly held beliefs. For example, she convincingly makes the case that Wal-Mart and Tyco, despite their challenged public images, are in the middle category rating,

"poised to pass the litmus test." Wal-Mart played an enormous public role by immediately pouring in personnel, basic resources and millions of dollars in cash to help those affected by Hurricane Katrina. FEMA is taking lessons from Wal-Mart on how they responded so effectively to the crisis. Since then, Wal-Mart has made a major commitment to environmental sustainability with improved fuel-economy, green building prototypes and a plan to bring cleaner, more environmentally friendly products into the marketplace. Their problems with employee relations, health care and outsourcing are not swept under the rug, but they are given credit for transforming parts of the company.

Tyco, similarly, is not given a pass on the egregious, corporate-level highway robbery committed by its former executives. But they are given credit for taking public responsibility for their behavior and transforming the company into the model for corporate ethics.

Authentic change in the face of the worst public relations challenges is possible, but it requires that companies conduct a thorough internal assessment of what went wrong, publicly share their knowledge, take responsibility for the problems and, finally, learn from their mistakes.

This book is well worth the read for traders, investors and consumers who are interested in how to assess what a company is doing beyond the bottom line.

Source: www.sfomag.com/departmentsdetail.asp?ID=1763636703&MonthNameID=April&YearID=2007