

Summary of Ron Alsop's Presentation for Sustainability Conference in Zurich

--Reputation is truly a company's most valuable—and vulnerable—asset. It is much richer, much more complex than the corporate brand. Put quite simply: A good name can enhance business in good times and be a life preserver in a crisis. Reputation also can be destroyed in an instant by people at the highest—or lowest—levels of the corporation.

--Unfortunately, people tend to focus on reputation only when there are troubles and then forget about it in happier times. One of the most important laws in my book on managing reputation is the need for constant vigilance.

--Companies must make reputation a full-time job with a full-time watchdog. FedEx and Bill Margaritis. Johnson & Johnson and the Credo.

--Research studies have demonstrated the powerful impact of reputation on people's decisions about which companies to work for, buy from and invest in. And a growing number of academic studies show a relationship between corporate reputation and investment appeal. Indeed, Merrill Lynch painfully learned just how much impact reputation can have on stock market value.

--The flurry of scandals over the past 3-1/2 years has tainted all businesses to some extent, not just the companies and executives accused of fraudulent behavior. In their more recent corporate reputation study, Harris Interactive and the Reputation Institute found that the public is still very disillusioned with many of the world's best-known companies: Nearly 70% of people graded the corporate world's image as either "not good" or "terrible."

--How can companies cleanse themselves of the taint? Clearly, corporate citizenship is one of their best hopes for redemption. There is absolutely no question that most people want to see companies demonstrate that they have heart and soul.

-- But simply producing brochures and running ads won't guarantee a shining reputation. The trick is to make your corporate citizenship both powerful and highly visible—without looking as if you're just out for glory.

--Of the 20 attributes measured in the annual Harris Interactive corporate reputation study published by *The Wall Street Journal*, people are most in the dark about corporate citizenship. In fairness to companies, communicating about philanthropy and social responsibility is a very delicate matter.

--CSR must be integrated into the culture of the company, not simply a branding campaign. Timberland, for example, has tried to empower all of its employees to give back to their communities.

--Some companies resort to advertising to declare their commitment to social and environmental responsibility, but the message requires careful thought—and some flair—to avoid being written off as self-serving.

--News media coverage of philanthropy provides perhaps the most credible publicity for a company. But it's also the most elusive.

--Another way to raise awareness of corporate citizenship and bolster your reputation: Own the cause.

--When they consider whether to promote their philanthropy, companies may find they're damned if they do and damned if they don't—especially in times of tragedy and crisis.

Lessons from September 11.

--Timing is critical in communicating about corporate citizenship. Unfortunately, many companies trumpet their good deeds precisely when the public is least receptive. Merck and Wal-Mart.

--Candor and a touch of humility, on the other hand, can work wonders when companies are trying to make up for past lapses. Nike and its chairman Phil Knight appear to have learned that lesson well.