

Corporate Political Responsibility Taskforce

Expert Dialogue with Amy Meyer & Eliot Metzger

Meyer & Metzger - Module #2

Elizabeth Doty: Welcome to the Corporate Political Responsibility Task Force Third Expert Dialogue. My name is Elizabeth Doty and I'm the Director of the CPRT, Erb Institute's Corporate Political Responsibility Task Force. At the University of Michigan, I'm delighted to be moderating today's conversation with Amy Meyer and Eliot Metzger of the World Resources Institute, Center for Sustainable Business.

Thank you for joining us today. The Corporate Political Responsibility Task Force, or CPRT, is an initiative of the Erb Institute. A 25 year long partnership between the Ross School of Business and the School for Environment and Sustainability at the University of Michigan. Led by Managing [05:29:00] Director Terry Nelodov and Faculty Director Tom Lyon, the Erb Institute is known for its leadership in three areas.

Teaching and Learning. Business engagement with groups like the CPRT and scholarly and applied research. The CPRT's mission is to help companies better align their approach to political influence with their commitments to purpose and values, sustainability, and stakeholders. As we're seeing, corporate political responsibility is an increasingly pivotal element in managing stakeholder trust, addressing systemic issues, and rebuilding public trust in institutions.

I'm very excited to be talking to two incredible experts today. We're just going to scratch the surface. I can tell already. Amy Meyer is the program manager for corporate climate advocacy at the W. R. I. Center for Sustainable Business. She leads their efforts to mobilize positive business influence on climate legislation at the state and federal levels.

She has a master's in urban planning from MIT and has served as a senior consultant with Navigant, providing energy [05:30:00] efficiency consulting to utilities, state and local governments, and private industry, and has done some incredible research on barriers, companies face when trying to, act on climate policy.

Eliot Metzger is the Director of Sustainable Business and Innovation at the WRI Center, and he's partnered with Fortune 500 companies in a range of industries to develop and test. innovations from disruptive business models to internal carbon pricing, climate policy lobbying, clean energy investment, thought leadership on the water energy nexus, a full range of topics.

And he tends to focus on urgent sustainability issues that can sometimes be the elephant in the boardroom. Amy and Eliot, welcome.

The overall picture I take away from this is a pretty much a lose, lose, lose. situation if we all, you know, just adapt to the barriers and don't step up and have that, that leadership.

Amy Meyer: I guess to your question, Elizabeth, about which ones are, you know, easiest versus hardest. I think the knowledge gap is [05:31:00] one that is, is pretty relatively easy to address.

You know, there's things you can do to get knowledgeable, whether it's going out and doing the research yourself, whether it's hiring. The right people partnering with the right organizations. You know, W. R. I. We work with companies to address exactly this barrier, you know, helping them overcome that knowledge gap in a lot of our peer NGOs do as well.

Companies work together on this. You know, there's lots of lots of avenues for that. meanwhile, competing priorities. I think that's I'm still not sure what the what the magic solution is to that. I think it can be very difficult. And we see this playing out now with the infrastructure package and companies being very concerned about the proposed hike in the corporate tax rate, despite all the benefits for the climate that are packed in there.

They're, you know, laser focused on taxes, can't see beyond, you know, lobbying Against that. So this, [05:32:00] you know, that's one that can be very, very difficult to overcome and would, in fact, enjoy any anyone on this call who has who has ideas there, you know, would love to. To explore that further to the knowledge gap and having the expertise in house to weigh these sounds like it would be elevated as a, you know, as a critical if we if we dive in for just a moment, kind of the internal getting your house in order so that you can either reduce the collateral damage effect that you've and to.

And in one of the areas of business probably can still clearly make a difference and or know how to weigh these environmental justice and climate justice, arguments.

Elizabeth Doty: Are you convinced that boards know enough that the C suite know enough to even structure the internal conversations or to hire the expertise?

You know, how are they thinking about? Because I'm personally hearing people saying that we've solved climate, that we've solved CSR because we've hired someone and we [05:33:00] have a commitment. so yeah, I know you're laughing. either of you, are you convinced that boards are way, you know, cognizant enough of the collective action, you know, bigger issue?

Eliot Metzger: I'm not sure they are. In fact, I think Tom's point about, you know, can companies Sort of take a, a climate bill and, and, and tell the story. That's really important. I, I've not seen a company that has figured it out completely. I, I have seen companies evolve and, and be able to understand where they fit into climate action.

they're still working on it though, 'cause they'll still have, you know. Backlash from customers and there's a lot of perceived backlash, but I think what we see when they're learning and then that that journey they go on, is they do a lot of the math, right? They do a lot of the internal math, but they also start to see, okay, well, how is this an issue for the broader economy?

And then me as a player within that economy? How do I? It's sort of like the, the framework you showed earlier, Elizabeth, how do they understand themselves in that larger system? [05:34:00] that helps a lot. This is anecdotal more than sort of rigorous, you know, analysis, but I've seen a lot of companies where it starts with an individual.

Bottom up, they sort of make the case to the board, they, they go through their channels on up and then they're presenting in front of their board. those that do it right. You know, know who's on their board, know how to talk to them, meet them where they are. Those who maybe try and fail, get laughed out of the room if they start with the wrong sentences, right?

they talk about maybe natural resources, population growth, economic forces, and then bring climate in after that. so every board's a little different. I don't know that we've seen a

lot, a board. Down, you know, directives on climate change. It's you start somewhere else. Maybe the investors are pushing it maybe customers or somebody else, but it gets in there.

I think that board level is critical, though, I mean that that's where you start to see things around, you know, what are the legal ramifications, you know what what kind of [05:35:00] disclosure, are we doing to provide to our investors. That's where you start to get real action I think and someone, you know, years ago we first started doing research on on lobbying climate lobbying said to me that until you have that board person worried about jail time, you're, you're probably not going to have too much action. So that that legal mechanism, those lawsuits that are out there now, I think those are a big deal. And once the board start paying attention, we've seen a lot of other groups do a lot of great work on this. I think there's a lot of resources out there.

But, you know, board action getting, was it, there was an oil and gas company recently, I want to Was it Exxon or Shell or someone? There were two or three board members that got put on that board. Yeah, so I think that's, that's a big deal. Exxon's a fun story we can talk about more later, but that's, that's a, it's important development.

I think you're right, Elizabeth, that those board roles are probably going to make or break for a lot of these companies when it comes to climate action on policy.

It's very interesting. And what I'm hearing you say is there's an ecosystem of [05:36:00] players as in any societal change, right, that perhaps the legal threat and the general counsel bringing that up causes them to invest the energy to get educated and go talk to their folks.

And it also strikes me that there are more in your org chart barrier that there are more roles that could contribute here. If you have people now more concerned about social justice, maybe they're going to be Part of that conversation and bringing more of the, systemic, concerns to counterbalance those short term priorities.

This is a weakness in companies forever, right? The short term survival issue for the officers to stay in their roles, let alone the longer term, right? We're at the head of that. Let's shift now, though, to our participants and see if we have any questions around those internal, kind of Recognizing your role and taking action either to stop doing things or to, to weigh [05:37:00] the collective action that the commons heavier.

Elizabeth Doty: I know Jim Boyle had posed a couple of questions online. I'd like to welcome him to come in if he if you'd like to answer, ask anything here about internal alignment in companies.

Guest: Thank you to Amy and Eliot for your excellent report that I look forward to reading very carefully and, and reviewing with our member clients.

I, I won't comment on, on my comments on online, which are, which are more about a change of framework other than to, suggest the sort of broader opportunity for thought leadership by companies and, and thought leadership designed for public policy influence. So. Obviously, you know, our clients, for instance, have a government affairs function and a sustainability function that are unfortunately entirely distinct and generally [05:38:00] don't know what the other is doing it all, even in that scenario, which is the regular scenario.

The sustainability function, I believe has a wonderful opportunity. To, work with the government affairs function on specifically thought leadership designed for public policy influence and the simplest way to do it, you know, for our clients, which are overwhelmingly science inspired globally scaling companies.

Is to do it on on the basis of climate science and then a specific opportunity would be in the scenario planning required by the task force for climate related financial disclosure where we're seeing a real gap where essentially even the very most sophisticated clients like Cisco and Bloomberg are saying that scenario you know the the three degree plus scenario means no change.[05:39:00]

And that's inconsistent with sophisticated public policy, geopolitical, you know, strategy, which sees epic change. And and and so we need, you know, so just working within the current systems. we can do a much better job when companies realize there is an opportunity and need to influence public policy and that they can do it in particular through thought leadership, which is premised on science, which, which isn't about, you know, which is above the partisan fray, but shaping as, as you know, of, of the real op choice architecture.

Elizabeth Doty: Thank you, Jim. Very I know there's lots there and I hope that we'll have more conversations to hear the the ways you're approaching that I know scenarios can be really vivid ways to. Breakthrough cognitive limits. Amy and Eliot [05:40:00] thoughts on this idea of sustainability officers approaching government affairs and and coming up with thought leadership for policy.

Amy Meyer: Well, one of the Eliot mentioned we get into the Exxon question but one thing that immediately jumped to mind for me was the way companies. influencing thought leadership in a very negative way. You know, we saw on tape, Exxon lobbyists, admitting to giving money to third party organizations to confuse the question of climate science to make it murky.

And I think we see that a lot of, you know, not just on climate, but on any issue, you know, companies want the, the quote unquote science to reflect their interest in their view. And the problem we see with a lot of this, not just on thought leadership, but, in general is companies think as long as they're not part of the problem, they're doing okay.

but really, we need the companies, the voices to step up to counter, you know, the exons [05:41:00] of the world. So we need there to be that thought leadership thought leadership. We need. companies kind of step up and encounter that. I think it's a, you know, it's a great way for companies to, to get involved that might feel more, more safe for them.

And in some regards, I imagine, to, you know, to be focused on. On thought leadership, as opposed to waiting into more thorny, thorny issues. We can talk about backlash here in a little bit. But I think that is that is an interesting, concept. And yeah, thanks for for bringing that up.

Elizabeth Doty: I want to thank both of you for the thoughtfulness here. I know, as I said, we've just scratched the surface. There is not only this report, which is an excellent conversation starter. It would be great for anyone in an association, in a company. To bring for conversation with their peers and potentially [05:42:00] for companies to bring to their trade associations about the stakes and the practical barriers in a rigorous, neutral, but very frank way.

There's also your, your AAA model, the AAA framework, advocate, align and allocate. On climate policy. And then you actually go into great detail kind of convergence around policies. Those are practical ways people could take the conversation here, either listening to it or joining us today.

