THE CCO AS PACESETTER

What It Means, Why It Matters, How to Get There

2019 Page Research Report

page

Foreword

When we issued our first report on the future of the Chief Communications Officer (CCO) in 2007, the iPhone didn't exist. Neither did Uber, Airbnb, WeChat, Snapchat or Instagram. Tesla hadn't delivered any cars; Spotify hadn't streamed a single song. Netflix sent movies to your home in envelopes. Facebook only had 50 million users. China was the fifth largest economy in the world. India wasn't among the top 10.

Since then the forces of change we identified have only intensified. In 2019, helping you see these realities is of modest value. Helping you seize them is the single-minded focus of our work.

Time is short. CEOs describe this as an existential moment for their companies. The same is true for the role of the CCO. More than 200 of you underscored this in our conversations over the past 18 months.

I've spent my professional life in Tech, an industry built on a bone pile of companies that were once unicorns and world-beaters. You know why they're gone. Change is hard, even when the need for it is breathing down your neck. Conversely, I've also witnessed and experienced corporate rebirth and renewal.

I've learned that, perhaps ironically, the most meaningful transformation arises from understanding what we must **never** change. This applies to professions like ours as well as to companies. Earning the public's permission to operate, building a strong reputation, forging trusted relationships, closing the gap between words and action – these are the elements of authenticity and must remain the foundations of our field. They are why many of us chose this as our life's work.

But new methods, tools and techniques are now available to achieve these essential outcomes. They are as transformative to our field as robotic surgery is to medicine, fly-by-wire to aviation and high-frequency trading to financial services. We can move past our profession's origins, when we engaged people as vast homogenized audiences reached mostly through intermediaries. Now we can understand and engage people, directly and authentically, as the unique individuals they are. And we can do more than influence their perceptions and beliefs. We can motivate them to action.

Much is at stake. We now live in a world of fake news and deepfakes, of weaponized information, algorithmically reinforced opinions and biased AI. We must master "the new" to protect our brands and reputations, but more importantly to advance civil society.

So, what shall we do? We can stick to the basics – influence influencers, counsel the CEO to do the right thing, manage crises, craft messages. Or, on these foundations, we can build capabilities and management systems that have never existed in our companies. The question is not whether these will be created. Twenty-first century business requires them, and society will demand them. The question is, will CCOs be the ones to build and lead them? I believe we will, because so many of you are already on your way.

So, after a dozen years of Page "thought leadership," let me make a personal appeal to you. Think of this work – and what Page offers in the months and years ahead – not as "thought leadership" at all, but as pragmatic coaching, guidance and encouragement. To me, that has been the intent of this work from the start. It is my hope for our profession and my colleagues that the work will inspire and guide you, your teams and your companies to great and rewarding futures.

Jon Iwata
Chair, Thought Leadership
Page

"...we are in the midst of unprecedented business change but there's just no roadmap for how the communications function supports that."

Introduction

As we embarked on our recent rebranding exercise for Page, we listened carefully to what current members and non-members of Page had to say about our future. They told us we needed to be more global, more diverse and more of a learning organization. Absolutely. But I recall one moment in particular in Hong Kong that brought all of this into sharp focus.

We'd had a great day of meetings with Page members about the issues facing CCOs and had settled in for dinner afterwards. We were reflecting on the day, when there was a long silence, as if the group didn't know where to take the conversation next. One Page member turned and said, "The problem is we are in the midst of unprecedented business change but there's just no roadmap for how the communications function supports that."

That moment crystallized the importance of undertaking a new thought leadership research project. I am extremely grateful that Jon Iwata saw the need for this work as well and agreed to lead the most far-reaching effort Page has ever undertaken to understand the future role of the Chief Communications Officer (CCO). This work builds on a legacy of groundbreaking research that has forecast the realities of our industry.

In our first report, published in 2007, we identified the gathering forces of change – technology, globalization and empowered stakeholders and noted that an enterprise wishing "to build its brand and enhance its reputation … must be grounded in a sure sense of what defines it" and must engage in behavior and actions that are consistent with its "values, principles, beliefs, mission, purpose or value proposition." This multi-stakeholder view was at odds with the then-prevailing wisdom that the primary stakeholder was the shareholder.

We further showed how the traditional roles and functions of corporate communications were no longer adequate – or, in many respects, even possible: We could no longer "own" either the message or the means of distributing it, nor could we effectively segment different messages to different audiences, since all communications are visible to anyone.

We built on this thinking in 2009 with a joint report with the Business Roundtable Institute for Corporate Ethics that noted the ongoing debate about the role of business in society and came down firmly on the side of the multi-stakeholder view. We proposed "an approach grounded in the general principle that trust creation is really an exercise in mutual value creation among parties who are unequal with respect to power, resources, and knowledge."

These perspectives were controversial when first published. By 2012, the picture we had painted had become conventional wisdom. The urgent question for CCOs and their organizations became how to put those principles into action. In *Building Belief*, we codified the Page Model of building corporate character and authentic advocacy. By then, we saw that Page members were doing new things that made them more strategic contributors to the enterprise. Specifically, they were helping to define, activate and align their companies' unique, differentiating identities, recognizing that an organization wishing to be trusted by the broad range of stakeholders must truly become what

it aspires and claims to be. And they were using the new capabilities of technology and data analytics to enable engagement with individuals at scale.

In *The New CCO* (2016), we offered a view on the skills needed to implement the Page Model, distilling them into three key roles for Communications leaders:

Foundational: a strategic business leader and counselor; a steward of enterprise reputation; and a skilled communicator using all the new media and tools now available.

Integrator: bringing together the company's leadership to collaboratively activate corporate character and engage all stakeholders.

Builder of Digital Engagement Systems: leveraging data to understand stakeholders as individuals; creating platforms to connect with them directly; and engaging with them not just to shape opinion but to change behavior.

None of those ideas or tactics has lost its relevance. Indeed, we are seeing CCOs apply them to good effect. We believe this success – most importantly, the central focus on enterprise authenticity in our work – is a key reason for Page's growing impact and steady increase in membership.

What has changed, however, is the broader context in which those operational practices occur. Today, the forces we identified starting in 2007 have intensified and expanded into new spheres – from election hacking to machine learning to fake news and "truth decay." These forces now constitute an existential challenge to our organizations, our governments and our societies – and therefore to the practitioners of public communications.

This is why we undertook, at the beginning of 2018, our deepest and most global research into the perspectives and actions of the world's leading CCOs and their organizations.

2007 ----- **2012** ----- **2016** ----- **2019**

The Authentic Enterprise
We no longer control the message so authenticity reigns.

Building Belief
Authentic engagement at scale requires a new model.

The New CCO
Harnessing the power of digital.

The CCO as Pacesetter
Four pathways leading to enterprise transformation.

We conducted discussions with more than 200 CCOs around the world and across more than 25 industries, including field visits to:

Abu Dhabi	London	San Jose
Amsterdam	Melbourne	Shanghai
Basel	Minneapolis	Summit, New Jersey
Beijing	Mumbai	Sydney
Bengaluru	Munich	Tokyo
Boston	New York	Toronto
Chicago	Oslo	Washington, D.C.
Delhi	Paris	Zurich
Hong Kong	San Francisco	

We held peer conversations at the 2018 Annual Conference and the 2018 and 2019 Spring Seminars.

In partnership with APCO Insight, we conducted a global survey of senior communications leaders. These included members of Page and Page Up, the European Association of Communications Directors, Asia-Pacific Association of Communications Directors, Middle East Public Relations Association, ABERJE in Brazil, Corporate Excellence in Spain and Latin America, the Harbour Club in Switzerland, Entreprises et Médias in France, Suqin in China and friends of Adfactors PR in India.

We begin this report with an overview of the new business landscape and the resulting agenda for CEOs. We then describe the implications for CCOs. We recommend paths for CCOs and their teams to advance from Professional to Pathfinder to Pacesetter in CommTech, Corporate Brand, Corporate Culture and Societal Value. Our approach is different, too. This report will become the foundation of a curriculum for Page members on each topic. We will create opportunities to engage with the content, learn from colleagues and through educational programs, and gain practical knowledge from case studies. We will engage in discussions at our Annual and Spring conferences to amplify the findings and help you put the lessons into action.

This work is the result of extraordinary efforts of many people including numerous Page members and Page staff. Let me offer particular thanks to the core Thought Leadership team, chaired by Jon Iwata, and including Roger Bolton, Mike Wing, Maril Mac-Donald, Chris Monteiro, Eliot Mizrachi and Justin Pallenik. Peter Debreceny helped ensure the effort was global in scope. Special thanks are also due to G&S Business Communications for their support.

The intent of all of these research initiatives has remained constant. It is to help CCOs operate at the top of their game, so they can help their companies anticipate and lead the world coming into view. This work is, I believe, a strong demonstration of what Page stands for – *to unite the world's best communicators to transform business for the better*.

Aedhmar Hynes
2018-2019 Chair
Page

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Executive Summary

CEOs across industries and regions are driving the greatest wave of transformation in generations. It is striking that not only are so many companies changing simultaneously, but many are changing into the same kind of company. We are seeing the emergence of a new business design.

We also see ample evidence that CCOs are playing a key role helping CEOs transform their companies by defining, reinforcing or reviving corporate character – the unique, differentiating identity of the enterprise. At the same time, new digital capabilities are helping CCOs to engage stakeholders, authentically and effectively, to build reputation, earn trust and achieve measurable results in entirely new ways.

"Pacesetting CCOs are playing a key role in helping CEOs transform their companies."

The CCO's agenda reflects and supports the CEO's transformation plans and the requirements of this new design. In our research we found:

CCOs are increasingly responsible for, and are transforming, corporate brand stewardship.

This is more than an expansion of job scope or, in some cases, the transfer of responsibilities from Chief Marketing Officers (CMOs), who have historically "owned" brand. It is an indication that the practice of corporate and master brand stewardship is evolving. CMOs predominantly manage brand for a single stakeholder: the customer. Brand "equity" is, therefore, built in attributes and differentiators that shape buyer perception and behavior. However, CEOs today are transforming their companies not only to serve current and potential customers, but also to meet the changing expectations of employees, investors, governments and the public at large. This requires a multi-stakeholder perspective, an appreciation of the new drivers of reputation, an arm-in-arm linkage with the company's culture initiatives and, in many cases, a fundamental rethinking of the meaning of the brand. CCOs are stepping up. And they are doing more than enforcing logo standards and communicating corporate "narratives" - they are creating systems and tools to ensure that the actual experiences stakeholders have with their companies are consistently "on brand."

CCOs are heavily engaged in instilling a new kind of corporate culture that is taking hold across businesses.

CEOs consistently say culture is at the top of their transformation agendas. A new business design requires the workforce to possess new skills, exhibit different behaviors and mindsets, and work in different ways. Digital businesses move at the speed of innovation and insight, continually learn, make decisions based on data, and are truly customer-centric and agile. Modern businesses eschew hierarchy, thrive on diversity in every dimension and authentically contribute to society. CCOs are working to establish or scale such cultures. They are moving beyond traditional employee engagement practices, beyond storytelling and internal communications campaigns. They and their teams are collaborating with the Chief Human Resources Officer and across the C-Suite to provide the reinforcement, rituals, training, tools and systems to enable the new culture. They are helping to close the gap between brand and experience, between aspiration and reality.

CCOs are helping to define an enterprise commitment to societal value creation.

Stakeholders increasingly expect businesses to create not only customer and shareholder value, but broader societal value, as well. These demands come not just from civil society activists, but also from customers, and increasingly, investors – more and more of whom are focused on long-term value and want to invest in companies that will be able to create it on a sustainable basis. The most vocal demands, however, are coming from employees, many of whom now make career decisions based on their opportunities to create meaningful, positive change in society. Many CCOs already manage, or work closely with, corporate responsibility departments. Increasingly, because of their broad stakeholder view, CCOs are helping enterprises rethink their corporate purpose with a focus on societal value, and driving changes in business strategy and planning to make societal value creation an integral part of the fabric of the business. This requires a management system that integrates the societal value commitment into the company's products and services, policies and processes, and the actual behavior of its people.

CCOs are investing in technology and talent to make their functions more agile, more digital, more data- and analytics-driven.

Virtually every CCO has developed digital capabilities, but until recently this has been used to produce and disseminate digital content and to analyze traditional and social media. Now CCOs are adding to these publishing and listening capabilities. They are beginning to adopt the methods and tools of what the field of marketing calls MarTech or Performance Marketing — digitally engaging target audiences and nurturing them along a designed journey toward some action. In the case of MarTech, the desired action is usually a purchase decision. For CCOs, "CommTech" can support customer-facing work, but the same teams and tools can be used to engage a diverse array of stakeholders – employees, prospective employees, opinion leaders, investors, partners and citizens. CommTech will also be an essential defensive mechanism as the threat of machine-amplified misinformation and deepfakes increases. Progressive CCOs are establishing dedicated teams, formally training them on Agile methods, and equipping them with modern "tech stacks" that are increasingly automated. CommTech operations generate data of increasing value to the enterprise.

While few CCOs who participated in our research are at the most advanced stage in any of these realms, the trends and trajectories are clear. To help CCOs and their teams continue to develop and grow, the centerpiece of this report is "Progression Paths." **There are four: one for CommTech and three — Brand, Culture and Societal Value — for the major elements of corporate character.**

CommTech

Corporate Brand Stewardship

Corporate Culture

Societal Value Creation
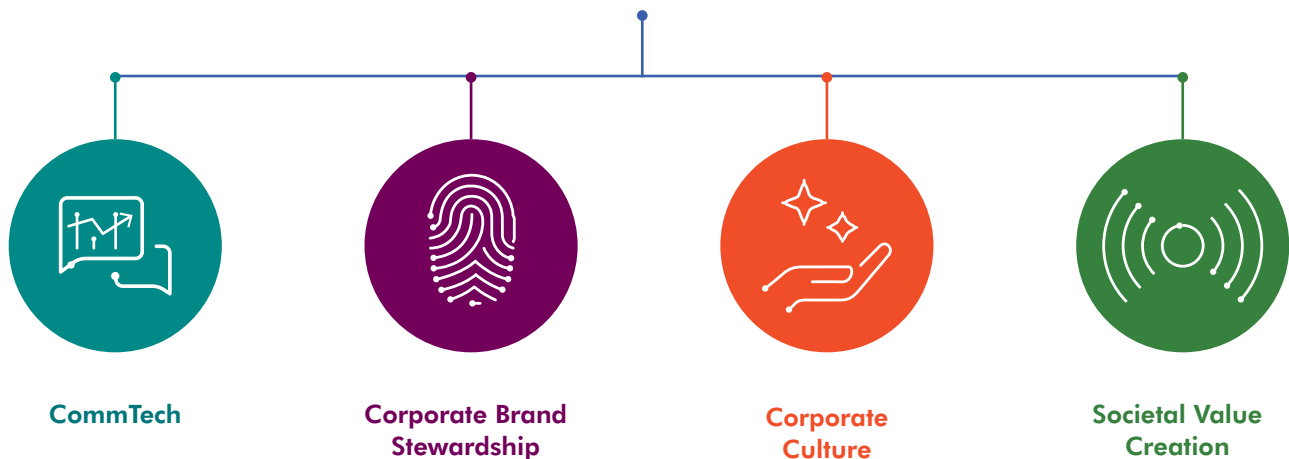
The New Business Landscape and the CEO Agenda

As we near the third decade of the 21st century, the landscape of business, society and public communications is being reshaped by new technologies; by new business models; by falling barriers to entry; by geographic, demographic, socioeconomic and political shifts; and by rising stakeholder expectations. Above (and underlying) all, our world is being reinvented by the phenomenon of data, both its application for greater knowing and its weaponization for mischief and profit.

No business leader today is unfamiliar with the impact of the Internet, the way all businesses are "becoming digital," or the arrival of cloud and 5G networks. It is no longer necessary to remind anyone about Moore's Law, the instrumentation of the world with sensors, the building of smart grids, the exponential uptake in mobile connectivity or the even more exponential volumes of data being generated by a global network that now encompasses not only people but things and natural systems. Some recognize that 3D printing offers the promise of reinventing manufacturing worldwide – and it is deepening through the rapid proliferation of "fablabs." Many have begun to learn about the potential of AR and VR – what the futurist Kevin Kelly calls the "Mirrorworld" – and of how blockchain technology is growing beyond its origins in Bitcoin to make trust for any kind of transaction possible. And, of course, there is the advent of machine learning, deep learning and other forms of artificial intelligence.

Many of these revolutionary technologies are already transforming the environment in which our companies must compete. On the not-so-distant horizon are other general-purpose technologies that promise to be at least as disruptive – from quantum computing to nanotechnology to biotech and genomics.

Any one of these advances would be transformative. Together, they are producing a Cambrian explosion of change, opportunity and disruption.

One obvious coming concern relates to the changing nature of work. Already over the past generation, the relationship between business and its employees has shifted, with lower expectations of lifetime employment and help with retirement. New technologies that replace mundane work, not only in blue-collar manufacturing jobs, but also in corporate white-collar infrastructure jobs, mean a decline in low-skilled work. The "gig economy" is also changing the terms of what it means to be employed.

At the same time, there may be an increase in what IBM CEO Ginni Rometty has called "new collar" jobs that require specialized training. Many companies will find themselves simultaneously dealing with the challenges of displaced low-skilled workers and a scarcity of workers with new kinds of skills. The opportunity for businesses to contribute to society through retraining is obvious, as are the implications for disruption in the workforce for those who don't adequately respond.

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[1] Kevin Kelly, "AR Will Spark the Next Big Tech Platform—Call It Mirrorworld," Wired, February 12, 2019, https://www.wired.com/story/mirrorworld-ar-next-big-tech-platform/

1.1   The rise of new business models

Among the most concrete and impactful manifestations of the new age of tech is the platform business model. As MIT's Erik Brynjolfsson and Andrew McAfee explain, a platform is "a digital environment characterized by near-zero marginal cost of access, reproduction and distribution." Built on the cloud and rapidly incorporating capabilities of AI and blockchain, platforms "are powerful aggregators of both supply and demand."

Although digital platforms are new as a business model, they draw upon a timeless paradigm for innovation. A rainforest is a platform, and so is a city. What makes platforms nature's (and history's) preferred method for innovation is their unique richness and openness, the spaces they create that nurture new entrants, novel ideas, serendipitous connections and entirely new species.

The growth of platforms has already supercharged the global economy. Digital flows have increased global gross domestic product by an estimated $2.8 trillion over the past decade and have had a bigger impact on economic growth than the flow of goods. The platform economy is also unlocking opportunities for millions of developing-market companies, particularly small businesses, as they leverage platforms such as Alibaba, Amazon, eBay, Flipkart, JD and Rakuten to reach more customers. It is evident that developing countries can benefit from the digital environment even more than developed ones. It is also evident that this will increase competitive pressure on companies in mature markets.

The first generation of disruptive platforms – such as Google, iTunes and Facebook – lived entirely online, transforming the world's information industries. These platforms continue to proliferate – think Spotify, Netflix, Instagram, Weibo, Snapchat, WhatsApp and Twitter. Google and Facebook capture 58 percent of global digital advertising. But now a new generation of platforms is expanding from the world of bits to that of atoms. These O2O – online-to-offline – platforms bring network economics to the physical world in industries from retail (Amazon), to transportation (Uber), to lodging (Airbnb), to food delivery (Grubhub), to in-home healthcare (Honor), to clothing rental (Rent the Runway) and many more. The Chinese platform Tencent built WeChat – "the world's first super-app," according to venture capitalist and best-selling author Kai-Fu Lee:

"It became a 'remote control for life' that dominated not just users' digital worlds but allowed them to pay at restaurants, hail taxis, unlock shared bikes, manage investments, book doctors' appointments and have those doctors' prescriptions delivered to your door. This metastasizing functionality would blur the lines dividing our online and offline worlds."[5]

Next up for platform disruption? It could be the B2B sector – e.g., Upwork (connecting freelancers with clients), Flexe (connecting warehouses with companies needing short-term storage) and Transfix (connecting empty trucks with merchandise to ship), among many others.

"A new generation of platforms is expanding from the world of bits to that of atoms."

All of the new digital platforms share a few basic characteristics:

They are cloud-based.

They access and integrate all data forms and sources – the full spectrum, not just data from the Web or from structured databases.

They are built on algorithms, microservices and APIs.

They have scaling effects. Platforms learn continuously, and this will be accelerated by ever-improving AI.

Even when their focus is on physical goods and processes, they are arenas of communication, engagement, collaboration and relationship – and therefore of vital importance to CCOs.

[2] Machine, Platform, Crowd: Harnessing Our Digital Future, 2017, Norton, pp. 149, 174-5
[3] James Manyika, Susan Lund, Jacques Bughin, Jonathan Woetzel, Kalin Stamenov, and Dhruv Dhingra, "Digital globalization: The new era of global flows," McKinsey, February 2016, https://www.mckinsey.com/business-functions/digital-mckinsey/our-insights/digital-globalization-the-new-era-of-global-flows

[4] Spencer Soper, "Amazon Increases Ad Market Share at Expense of Google, Facebook," Bloomberg, September 19, 2018, https://www.bloomberg.com/news/articles/2018-09-19/amazon-increases-ad-market-share-at-expense-of-google-facebook
[5] AI Superpowers: China, Silicon Valley and the new World Order, Houghton Mifflin Harcourt, 2018, p.59

1.2 New voices call on business to create more than shareholder value

Sixty-nine of the largest economies in the world today are not countries, but companies.

The 2019 Edelman Trust Barometer found that business is now the most trusted sector, above even NGOs, creating expectations for businesses to step up to solve global societal problems and create societal value. The same study showed that 71 percent of employees agree that it is critically important for their CEO to respond to challenging times: industry issues, political events, national crises and employee-driven issues.

And this pressure is coming not only from within, but also from another surprising source: institutional investors. Leading this charge has been the world's largest hedge fund, BlackRock, whose CEO Larry Fink wrote in his 2018 letter to CEOs that "to prosper over time, every company must not only deliver financial performance, but also show how it makes a positive contribution to society."[6] In his 2019 letter he elaborated: "Purpose is not a mere tagline or marketing campaign; it is a company's fundamental reason for being – what it does every day to create value for its stakeholders. Purpose is not the sole pursuit of profits but the animating force for achieving them."[7]

Fink is not alone. Other investors around the world are joining in. Hiromichi Mizuno, chief investment officer of Japan's $1.5 trillion Government Pension Investment Fund, said: "We have a 25-year investment horizon. The financial system has to be sustainable."

In 2011, Michael Porter of Harvard Business School began writing about "shared value" in which business creates both shareholder profit and societal value, a philosophy in line with Page's work on creating broad stakeholder engagement and trust. The Business Roundtable, the primary CEO organization in the U.S., got the message and adopted a new Statement of Purpose of a Corporation on August 19, 2019, which emphasizes the broad stakeholder view.[8]

Businesses have a long list of socio-economic issues to address – climate change, the rise of China (or the cooling off of its economy), aging populations, and the growing access and agency of the world's under-served. Changing economic realities and the rise of populist movements around the world are disrupting global trade flows and threatening the existence of post-war global economic institutions that have guaranteed relative peace and allowed developing and developed nations to grow and thrive. These institutions have helped billions rise out of extreme poverty and billions more to join a rapidly growing global middle class. But they are challenged by a rapidly changing economy. For instance, as labor cost differentials decline and the impact of climate change increases, many companies are now sourcing manufactured products closer to their ultimate customers' locations, lessening global trade in finished goods.

Rapidly changing societal views and consumer tastes also drive disruption. For example, many people increasingly want food that is organic, locally grown and not genetically modified. Major food companies and the entire agricultural supply chain are experiencing massive disruption as a result. Environmental concerns and changing driving habits of urban Millennials are disrupting the automotive industry, where electric and autonomous vehicles and ride-sharing are on the rise.

"When we don't speak out externally, we get pushback internally."

– CCO, Silicon Valley Based Company

"Employees will risk their own reputations working for companies that do things they don't agree with. Employees want to know where their employers stand. It is no longer an option not to have a position."

– Pierre Goad, former Group Managing Director and CCO, HSBC

"Employees want their companies to make sense in a confusing world."

– Kate Philipps, Vice President, Communications, Faurecia Automotive

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[6] Larry Fink, "Larry Fink's 2018 Letter to CEOs: A Sense of Purpose," BlackRock, 2018, https://www.blackrock.com/corporate/investor-relations/2018-larry-fink-ceo-letter

[7] Larry Fink, "Larry Fink's 2019 Letter to CEOs: Purpose & Profit," BlackRock, 2019, https://www.blackrock.com/corporate/investor-relations/larry-fink-ceo-letter

[8] Alan Murray, "America's CEOs Seek a New Purpose for the Corporation," Fortune, August 19, 2019, https://fortune.com/longform/business-roundtable-ceos-corporations-purpose/

1.3 Data enables deep personalization and the weaponization of information

Business and society today are dominated by one overarching and entirely new reality: All the factors that determine the efficiency and health of our economic, societal and natural systems are expressed as data. And the same technologies that have opened up an explosion of new opportunities have created entirely new challenges.

At one end of the spectrum, we have the promise of "deep personalization." We can observe people's actual behavior and deliver products, services and experiences we know they like or need, targeted not to demographic segments or regions, but to unique human beings, at a specific place and in real time. Precision medicine, driver conditional monitoring, usage-based policies, nutrigenomics, outcome-based learning, interactive insurance, personalized music, movies, drugs, food and cosmetics. In these cases, we are quite happy to marshal data – and so are most consumers, students, patients, employees and citizens.

This comes with new questions, issues and threats. We are all aware that some citizens and consumers choose to receive only news, content and relationships that reinforce their preferences and worldviews – and how digital platforms and algorithms contribute to this. Many of us self-medicate with content that feeds our worldview, and not just about politics. We also do it about our favorite sports teams, fashions, music, movies and vacation destinations. And there's another, less frequently noted danger. Casual interests observed in our online behavior get locked in by the algorithms as hard-wired psychological profiles that may not represent all of who a person is. Indeed, one of the things algorithms do is deepen the patterns they identify, and thus contribute to polarization, tribalism and societal fragmentation.

Tim Cook, Apple's CEO, described the dangers of what he called the emerging "data industrial complex" in an October 2018 speech. "Every day, billions of dollars change hands, and countless decisions are made, on the basis of our likes and dislikes, our friends and families, our relationships and conversations. Our wishes and fears, our hopes and dreams," Cook said. "These scraps of data, each one harmless enough on its own, are carefully assembled, synthesized, traded, and sold.

Your profile is then run through algorithms that can serve up increasingly extreme content, pounding our harmless preferences into hardened convictions."[9]

At one end of the spectrum, we have the promise of deep personalization. At the other end, we have the potential beginnings of a post-fact era.

Some describe this new reality, taken to the extreme, as the beginning a "post-fact" era.[10] As a probing report from RAND put it, we may be entering an era of "truth decay."[11]

For instance, video and audio have always provided credible evidence, but it is now inexpensive and easy to create highly sophisticated "deepfakes," media that seem to show well-known figures – or, indeed, anyone – saying and doing things they never said or did.[12] FakeApp uses a Google-developed deep learning program, TensorFlow, to create realistic videos where faces have been swapped. The software teaches itself image recognition through trial and error. The more computer processing power, the faster it works. Many sites permit deepfakes that superimpose celebrities' faces into pornographic videos. And it's cheap and easy for anyone to do. Both the source code and the entire FakeApp project, with pre-trained models, can be found online and open-sourced on GitHub.

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9 Tim Cook, "Complete transcript, video of Apple CEO Tim Cook's EU privacy speech," transcript shared by ComputerWorld, October 24, 2018, https://www.computerworld.com/article/3315623/complete-transcript-video-of-apple-ceo-tim-cooks-eu-privacy-speech.html
10 Peter Pomerantsev, "Why We're Post-Fact," Granta, July 26, 2016, https://granta.com/why-were-post-fact/
11 Jennifer Kavanaugh, Michael D. Rich, "Truth Decay," RAND Corporation, 2018 https://www.rand.org/pubs/research_reports/RR2314.html
12 Franklin Foer, "The Era of Fake Video Begins," The Atlantic, May 2018 https://www.theatlantic.com/magazine/archive/2018/05/realitys-end/556877/

Further, this is only the beginning of what AI-enabled mischief can do. Bots – software programs designed to mimic humans – generate more than half (~52 percent) of all online traffic. Making use of them, one person can give the false impression of large-scale popular movements. Social media platforms, which were lauded until a couple of years ago as new systems of trust, have now come to be seen as something very different. An Oxford University study found instances of social media manipulation campaigns by organizations in at least 48 countries since 2010.[13]

AI-enabled phishing makes targeted victims much more likely to trust attackers, while automation accelerates the scale at which attacks can occur. The sophistication and scale of these attacks means entire populations can be fooled into following the lead of a malicious AI. A torrent of disinformation could come from an AI agent impersonating key decision makers, causing widespread confusion. In the near future, security experts believe, we will see the rise of marketplaces for buying and selling profiles of psychologically malleable people on the Dark Web.

The platforms increasingly are caught in a conflict between their fundamental business model, which relies upon the use of personal data to target appeals by advertisers, and the increasing public outrage over privacy concerns and misuse of the platforms by bad actors. Regulation is increasing and destined to continue doing so, while the platforms struggle to root out and block misuse. One possible partial solution could be blockchain technology, which can be used to track and verify the source and reliability of information. A Hong Kong-based startup called Block.one, whose research and technology function is located in Blacksburg, Virginia, recently announced an upcoming Beta version of a new social media platform called "Voice" that promises to use blockchain technology to ensure that content will be posted by real users, not bots and fake accounts.[14] The company also pledges "No hidden algorithms, no invisible interests."

Most deeply – and disturbingly – truth decay may erode the public's faith in public discourse itself, and thus may reinforce our tribal impulses to retreat into self-reinforcing informational and/or ideological bubbles. As professors Robert Chesney and Danielle Citron note in a January 2019 essay on deepfakes in *Foreign Affairs*, we risk the creation of a "liar's dividend," where no video or audio evidence is believed, even when it is real. People could come to distrust the news in general. Even journalists, they note, "may become more wary about relying on, let alone publishing, audio or video of fast-breaking events for fear that the evidence will turn out to have been faked."

Following the apparent suicide of Jeffrey Epstein on Saturday, August 10, 2019, conspiracy theories swarmed social media. Commenting on this, Charlie Warzel of *The New York Times* aptly described the state of what he calls our "Information System":

"It's increasingly apparent that our information delivery systems were not built for our current moment — especially with corruption and conspiracy at the heart of our biggest national news stories (Epstein, the Mueller Report, mass shootings), and the platforms themselves functioning as petri dishes for outlandish, even dangerous conspiracy theories to flourish. The collision of these two forces is so troubling that an F.B.I. field office recently identified fringe conspiracy theories as a domestic terrorist threat. In this ecosystem, the media is frequently outmatched and, despite its best intentions, often acts as an amplifier for baseless claims, even when trying its best to knock them down.

Saturday's online toxicity may have felt novel, but it's part of a familiar cycle: What cannot be easily explained is answered by convenient untruths. The worst voices are rewarded for growing louder and gain outsize influence directing narratives. With each cycle, the outrage and contempt for the other builds. Each extreme becomes certain its enemy has manipulated public perception; each side is the victim, but each is also, inexplicably, winning. The poison spreads."[15]

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[13] Samantha Bradshaw, Philip N. Howard, "Challenging Truth and Trust: A Global Inventory of Organized Social Media Manipulation," The Computational Propaganda Project, July 20, 2018, http://comprop.oii.ox.ac.uk/research/cybertroops2018/

[14] "Block.one Introduces "Voice" to Bring Alignment and Transparency to Social Media," Block.one, June 1, 2019, https://block.one/news/block-one-introduces-social-media-application-voice/

[15] Charlie Warzel, "Epstein Suicide Conspiracies Show How Our Information System Is Poisoned," New York Times, August 11, 2019, https://www.nytimes.com/2019/08/11/opinion/jeffrey-epstein-suicide-conspiracies.html

1.4   The CEO agenda: transformation amid disruption

In virtually every industry and region, CEOs are driving significant, often radical, transformation agendas. We see it whether the enterprise is a startup, a unicorn or an established incumbent. We see it whether the disruption they are experiencing (or seeking to avoid) is driven by technology or changing consumer or socio-economic demands. Many describe this as an "existential moment" for their companies. They are simultaneously changing their business models, operations and talent base to meet the changing expectations of customers, employees, investors and society at large.

Ford Vice President of Communications Mark Truby said, "Just like the rest of the world, Ford is navigating through transformative times. Our leadership team knows that half measures are not sufficient. We are fundamentally rethinking the design of our business. Being faster, smarter and better is not enough. We're leveraging new methods, new tools and new ways of working focusing on ideas like agility, design thinking, and systems integration. From our CEO all the way down, we're are working to design the business for success and for the long term."

Hans Koeleman, Chief Corporate Communications & Corporate Social Responsibility Officer at Dutch landline and mobile communications company KPN, said, "Our CEO uses the word 'fast' and 'superfast' frequently. It's about being less hierarchical, more networked."

For some, the model of the new business design is the most famous of digital disruptors, Amazon.com. *In Think Like Amazon: 50-1/2 Ideas to Become a Digital Leader*, former Amazon senior executive John Rossman explains some of the key practices that have helped the company become the world's most valuable firm.

Amazon's approach to organization, culture, strategy and operational improvement begins with clarity and rigor on enterprise definition – in Amazon's case, customer-centricity – leading not just to messages but to metrics ("real-time customer metrics are built into every aspect of the work") and to decisions – with customer-centricity trumping all other criteria, including financial. As Forbes journalist Steve Denning put it, "Amazon doesn't start an activity or develop a capability until the team has figured out how it will measure customers' response."[16]

Amazon's self-definition also leads to a rigorous adoption of Agile work methods. The company's "two-pizza" Agile teams have near-complete autonomy, with little middle management involvement in their decision making. Instead, they are guided by real-time metrics – obtained through the kinds of digital management systems we describe below as "CommTech."


It is striking how many CEOs are transforming their enterprises into the same kind of organization – in essence, *a new business design*. In our research we saw common characteristics of this new design traversing industry, region, company size and age:

They are increasingly technology-centric – in their use of digital and data in all aspects of the enterprise, in how they make decisions and engage all stakeholders.

To meet the expectations of new generations of workers, **they are increasingly taking positions on**, and sometimes advocating for, a wide range of societal issues.
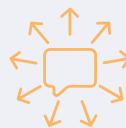
To meet the changing expectations of investors, **they are increasingly talking about** – and seeking to actually create – societal value.

They are transforming their corporate cultures – to be more tech-savvy, customer-centric, agile and less hierarchical. In fact, CEOs consistently identified getting the right culture in place as their top priority.

[16] Steve Denning, "How Amazon Became Agile," Forbes, June 2, 2019, https://www.forbes.com/sites/stevedenning/2019/06/02/how-amazon-became-agile/#214bc80631aa

"Writing ideas and proposals in complete narratives results in better ideas, more clarity on the ideas, and better conversation on the ideas… The initiatives will be smaller and less risky. Writing narratives is hard, takes a long time, and is an acquired skill for the organization. High standards and an appreciation for building this capability over time are required."[18]

Finally, and most interestingly from a Communications perspective, Amazon places narratives – "two- or six-page documents written in complete sentences… [that are] expressly tailored to the situation based on the topic, the timing in the initiative, and the audience"[17] – at the heart of its operations. No significant new activity can be undertaken at Amazon unless and until there is an exhaustive management review of this document. As Rossman explains:

The narrative is supported by a speculative future press release describing the customer benefits of the product or activity. This is followed by a series of FAQs answering hypothetical questions from customers and internal stakeholders. It is instructive that the world's most valuable and disruptive digital platform organization is using a traditional corporate communications practice not retrospectively to describe decisions others have made, but prospectively to make those decisions.

Of course, not all companies can or should seek to copy Amazon or its platform peers. But Amazon's example clearly reflects the kinds of skills, data analytics and Agile work methods that all CEOs today find themselves considering seriously.

To accomplish this kind of transformation, CEOs are seeking help – and often not from their existing C-Suite. Chief Digital Officers, Chief Technology Officers, heads of design – these are some of the executives who are starting to move into the C-Suite. We also see the creation of entirely new roles such as "Chief Customer Officer," "Chief Transformation Officer," "Chief Revenue Officer" and "Chief Experience Officer." The CEO is creating new roles because no one in the existing C-Suite has the needed combination of skills, perspective and resources.

[17] John Rossman, Think Like Amazon: 50 1/2 Ideas to Become a Digital Leader, p. 236, McGraw-Hill Education, 2019
[18] John Rossman, Think Like Amazon: 50 1/2 Ideas to Become a Digital Leader, p. 234, McGraw-Hill Education, 2019

The New Drivers of Corporate Character and Authentic Engagement

In the Page Model, CCOs have two fundamental, interrelated responsibilities – helping the enterprise define and activate its corporate character and building authentic engagement with stakeholders. In the landscape we've just described, both acquire new urgency and new requirements:

Both young enterprises experiencing hyper-growth and established players confronting disruption need to strengthen or perhaps redefine their unique, differentiating identity. It is critical to build an authentic corporate character that includes all the drivers of a company's uniqueness: brand, culture, purpose, values, strategy, business model, societal role and policies. Together, this is what makes you, you. Through our new research with CCOs, we found that by focusing on **corporate brand stewardship, culture management and societal value creation**, today's CCOs have the best opportunity to influence the full range of corporate character attributes.

At the same time, the new digital platforms, techniques and methods that increasingly shape perception, belief, and action demand investment and mastery by CCOs. This emerging capability – which Page is calling **CommTech** – can become the foundation for engaging stakeholders authentically and effectively to build relationships, earn trust and achieve results.

Enterprises confronting disruption need to revive – or redefine – their corporate character – their unique, differentiating identity. CCOs have three critical levers:

| BRAND |
| CULTURE |
| SOCIETAL VALUE |
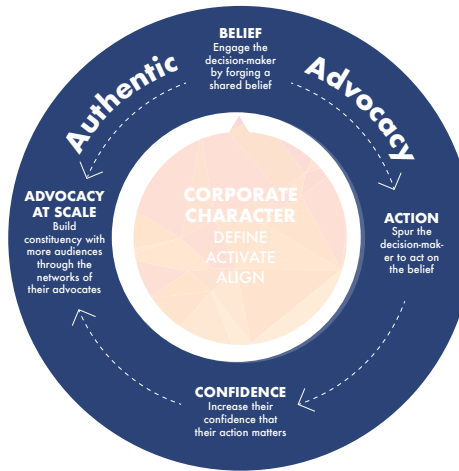
CommTech teams use data and digital tools to target and nurture audiences from belief to action to advocacy. CommTech can engage diverse stakeholders – customers, employees, influencers, investors, citizens.

It is an essential defense against disinformation and deepfakes.

Our quantitative research, conducted with support from APCO Insight, was designed to understand the role of CCOs and the function they play in the four dimensions that emerged from our interviews.

Let's begin with CommTech, which has become a kind of lingua franca of the modern communications function across brand, culture and societal value.

2.1   They are moving from "digital" to CommTech

CommTech is emerging as a new discipline – almost a new profession in itself. Fully embraced, it can do for Communications what MarTech has done for Marketing. It enables companies to understand and engage people – not just customers but the full array of the firm's stakeholders – as unique individuals rather than as segments, audiences and "publics." It brings data-driven precision and insight to our work. Most important, a robust CommTech capability can enable CCOs and their teams to go beyond communicating what they want stakeholders to know and *believe*. It helps those stakeholders *act* upon that belief – by providing such things as education, answers, advice, tools and access to resources, experts and communities – thus narrowing the gap between perception and reality, between the positioning of a company and the actual experience one has with it. Indeed, at its most advanced stage, it materially shapes that experience. CommTech is, therefore, a powerful enabler of authenticity.

Chevron is using CommTech for highly sophisticated influencer identification and engagement.

SIEMENS, servicenow, Google are using CommTech to transform corporate culture.
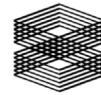
TISHMAN SPEYER in China, is using CommTech to engage investors and partners.

MITSUBISHI HEAVY INDUSTRIES, LTD. is using CommTech to generate and nurture sales leads.

As its name implies, CommTech requires technology of increasing sophistication – from content management and campaign automation systems to collaboration platforms and data analytics. But these are merely tools. Also needed are new team configurations with new professional roles and skill sets, new workflows and KPIs, new budgeting priorities and a truly Agile culture.

When operating at scale, CommTech systems should be integrated with other tools used by the firm through shared dashboards and the use of APIs – as well as with external data sources relevant to the firm's industry. Reporting is automated, including minute and dynamic optimizations of content based on performance with specific audiences (e.g., through multivariate testing, learning and redeployment with little or no human intervention). The team has a "data first" culture, consulting dashboards with near-real-time data before, during and after decision-making. And the budget includes a full mix of paid/owned/earned for targeting, amplification and search optimization. The acquisition of third-party tools is funded at the enterprise level and driven by a partnership between technical experts on infrastructure in the CIO, CTO, Marketing and Communications functions.

Above all, CommTech represents and requires a new mindset – that the work of communications is not limited to messaging and storytelling in pursuit of influencing opinion and fostering good will. Rather, our work can help shape the actual behavior of the company and the people who matter to it – building shared belief that leads to action and advocacy. Therefore, CommTech knowledge and facility will be critical success factors for all Comms roles. Rainer Ohler, recent EVP of Communications for Airbus, said, "At the beginning, we tried to force the digital tools to how we work versus changing how we work."

What did CCOs tell us about the path forward? Most CCOs and their teams have been investing in "digital" for many years. They are producing original digital content — videos, tweets, social tiles, infographics, livestreams and webinars. They are publishing and posting this content on their own websites and on social platforms, such as Medium, Facebook, Instagram, Twitter and LinkedIn. To do this, they have been hiring professional journalists, editors, videographers and perhaps setting up digital newsrooms and "content teams." They may have created new roles and titles, such as Social Media Manager and Chief Storyteller. They are measuring effectiveness by tracking views, likes, shares, retweets. Some are analyzing tone and sentiment.

Many CCOs have built a sound digital foundation. But there is a significant gap to cross before reaching the full potential of CommTech.

"I don't know how to staff this."
— CCO, Aerospace company

"Marketing has bigger budgets and more resources. The CCO is losing ground."
— Agency CEO

"Marketing has the lead here and CCOs need to catch up."
— Executive Recruiter

"I spend a lot of time defending what my digital team does."
— CCO, Aviation company

"On a scale from 1 to 10, we're at 1. We won't be there next year."
— CCO, Automotive company

"No one has asked me to do this."
— Multiple CCOs

Nevertheless, CCOs believe their companies and functions must have the capability. Recent Airbus CCO Ohler said, "It takes a long time, but CommTech is coming here. I saw the same thing with social media. Management said, 'What do you mean you can't control this thing?' Now they can't get enough of it."

The CCO of an aerospace company said, "'Broad' communications is decreasing in relevance. Our work today is all about micro-targeting, tailored content and increasingly real-time analytics. Soon we will be using predictive analytics." This CCO also spoke of the relevance of digital to the employee stakeholder. "Our employees get into a time machine – their car – and go back to the 1970s – our company. Employees want social platforms at work. They want a chat platform to share ideas and talk to each other. They want management to listen to them. This is the only way we're going to attract talent."

Ray Day, CCO of IBM, put it this way: "Most of us leading comms functions today have degrees in mass communications and have spent decades perfecting that model. Yet the world has moved on to micro communications and extreme personalization. And that's our opportunity – as our marketing colleagues realized many years ago. We need to reinvent ourselves, re-skill our teams and change our priorities to focus on how people consume information today and will tomorrow, rather than operating in our longtime comfort zones."

China, with its intense emphasis on digital and social media, is arguably leading the way. For example, Grant Xia, Senior Director of Communications and Marketing for Tishman Speyer in China, who spent many years in agencies, including Ogilvy and Burson Marsteller, said, "A good media article is worth zero today. Companies and agencies (in China) are looking for a 'new formula'. No one has quite figured it out, but it will be based on data to understand people's habits, their daily behavior. This is why so many companies are setting up big data departments and working with Alibaba, TenCent and Baidu.

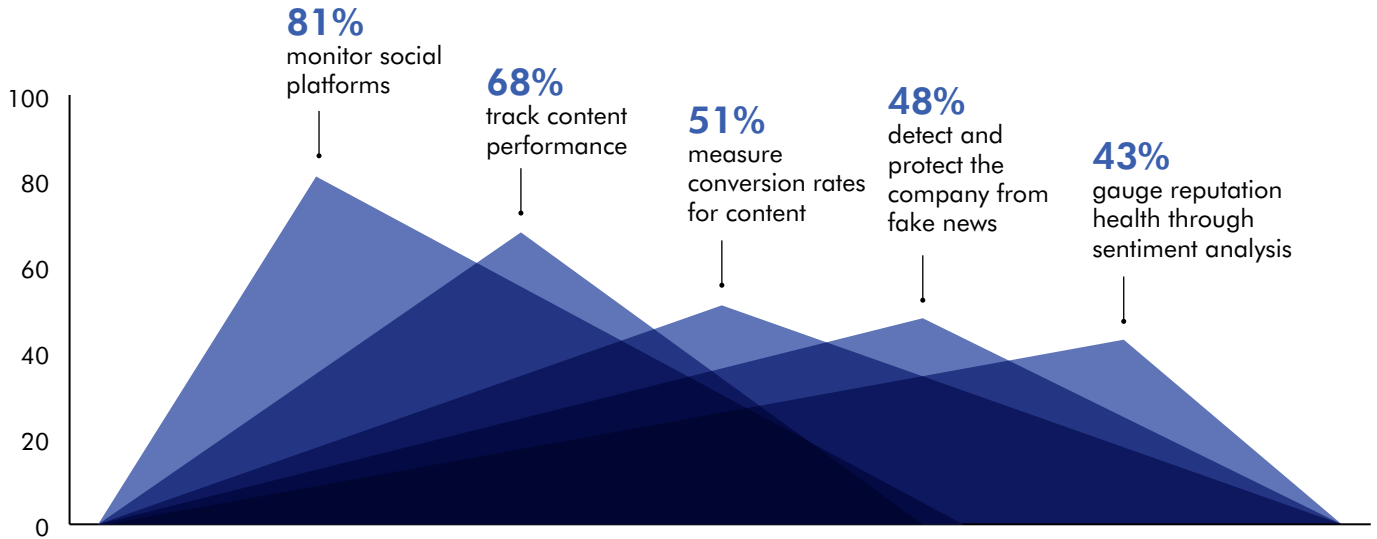Not to reach the mass public. To be very focused. Whoever holds the data will be king."

Lydia Lee, President of Weber Shandwick China, said, "China has totally taken over and moved ahead in the practice of communications because of the total focus on social and digital. The traditional practices of reputation management, media relations and executive profiling are still important, especially when there is trouble to manage, but they are not center-stage of what clients want."

What do clients want? "Lots of 'content-to-conversion' work, especially for consumer-facing brands," said Lee. "They want more followers/ fans who convert into buyers who convert into advocates. The focus is to get the audience to take action. They don't just want press clippings and TV appearances. Because of the social and digital emphasis here, we can trace everything. We can show meaningful ROI." This is not limited to sales support, she added. "Because of the 'one child' policy, which started in the 1980s, China's workforce is shrinking. Now companies have a recruiting, retention challenge. So our employee recruitment practice is booming. I have a 'sales' target here, too. My HR clients want to know how many resumes are coming in."

Lina Du, Corporate Communications Head for Chemours Asia Pacific, said, "Before, we went to trade shows and collected business cards. Now we are adopting practices from MarTech. For example, we're integrating WeChat with Marketo and Salesforce."

In essence, the journey for CommTech is from "what we want you to know" to "what we would like you to do" (see Progression Path for CommTech, pp. 32–38 of this report). In our quantitative survey, half of respondents indicated they were in the first stage, Professional, which focuses on social listening and digital content production/distribution.

Their activities mirror this:

81% monitor social platforms

68% track content performance

51% measure conversion rates for content

48% detect and protect the company from fake news

43% gauge reputation health through sentiment analysis

This is reflected in their use of tools.

82% use a social media management tool for listening, responding and sharing content

73% use an earned media management tool for tracking coverage

57% use a Content Management System (CMS)

The predominance of CCOs at the Professional stage reflects communications' foundations in messaging, storytelling and positioning. The Pathfinder and Pacesetter stages of CommTech require a focus on the audience, ideally down to the individual, and on helping the audience to take action.

The required re-orientation from message- to audience-centricity is reflected in how few CCOs segment or target audiences…

41% segment audiences by attributes like job title, location, etc.

39% segment audiences by behavior like following people on Twitter, clicking links, etc.

19% segment audiences by interests like hobbies, sports, movies…and in their use of tools.

Only **35%** use data analytics for tracking performance and user behavior
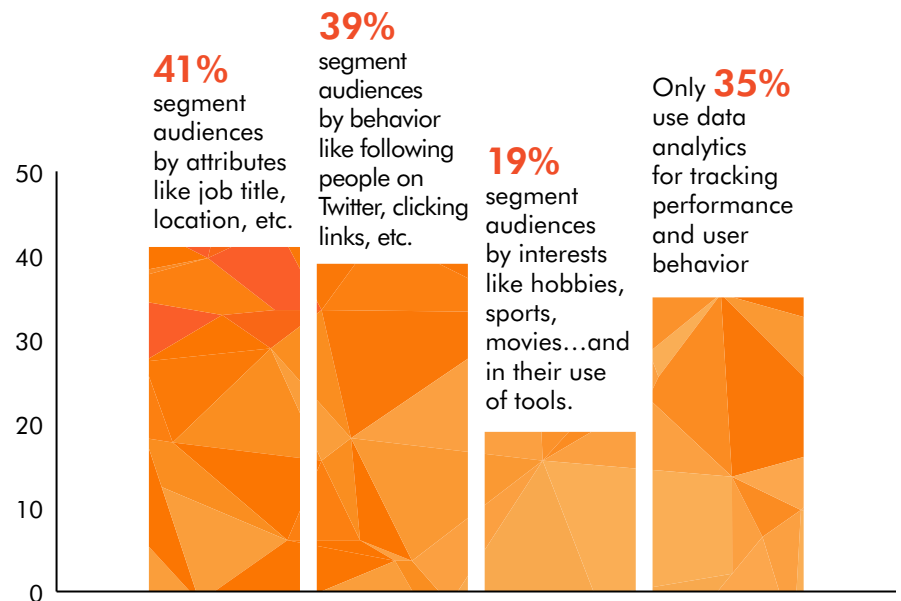
Few are designing, iterating and analyzing digital campaigns, as prescribed in the Pathfinder stage.

24%
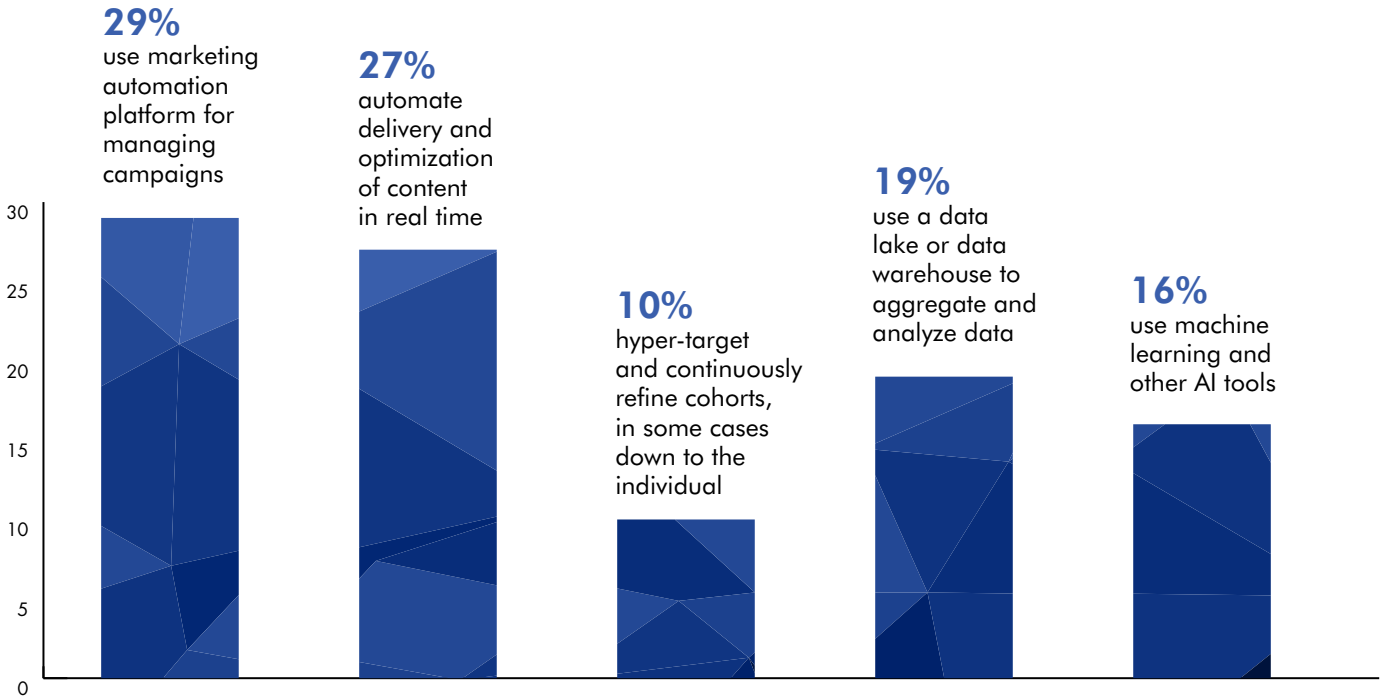design prescribed
journeys for stakeholders

21%
use Agile to optimize
campaign performance

This, too, is reflected in the tools they employ.

29%
use marketing
automation
platform for
managing
campaigns

27%
automate
delivery and
optimization
of content
in real time

10%
hyper-target
and continuously
refine cohorts,
in some cases
down to the
individual

19%
use a data
lake or data
warehouse to
aggregate and
analyze data

16%
use machine
learning and
other AI tools

Our sense from our 200-plus discussions is that very few, if any CCOs have built fully operational and effective CommTech systems. But almost universally, they quickly grasp its potential and express interest in developing these capabilities.

The two biggest impediments to building CommTech systems identified in the survey,

at 61%

each, were **budget and skills**. In fact, there are accessible and affordable tools and training available.

2.2   They are taking ownership of Corporate Brand

Corporate character is the sum of everything the enterprise does, incorporating mission, purpose, values, culture, business model, strategy, brand, positions and policies. If the enterprise can define and activate its corporate character authentically across all those attributes, if that character is exhibited in everything it does, and if that character is worthy of trust, it will enhance enterprise reputation so as to earn public support, customer loyalty and permission to operate.

More and more CCOs have gained responsibility for leading corporate or master brand, and most who do not have that direct responsibility have significant influence over how it is managed. In our quantitative research,

66%

of CCOs report being responsible for corporate brand. Of those who are not,

52%

say they are a leader in influencing brand;

44%

say they are a participant.

This emerging responsibility gives CCOs an effective tool to help align all the enterprise's touchpoints with its corporate character. An anonymous CCO with corporate brand responsibility at a German manufacturing firm, is responsible for corporate brand, said, "We have so much more of a lever if we understand the overarching concept of brand."

As CCOs gain responsibility for corporate brands, or are at least highly involved in its management, they have an opportunity to transform the practice of corporate or master brand stewardship – and this matters in the Internet age, when corporate brands can no longer choose to be invisible, taking a backseat to their product brands. Mary Lynn Carver, recent CCO of General Mills who was responsible for corporate brand, said, "When I arrived at General Mills, we were a classic 'house of brands,' with no investment in the master brand. Yet there are some jobs only the corporate brand can do and that the product brands cannot do, such as taking stands on social issues. And the corporate brand uniquely expresses our purpose: 'We serve the world by making food people love.'"

Corporate brands can no longer be one-dimensional, positioned to resonate only with customers and consumers. Transparency, the war for talent and rising expectations of the role of business in society require that a company's brand resonate with all the stakeholders who matter to the company — customers and prospects, yes, but also employees and recruits, investors, regulators and the public at large.

This need is particularly acute for companies transforming and repositioning themselves. For example, as "every company becomes a technology company," it increasingly needs to recruit and retain tech-savvy employees. Yet, many companies' brands are synonymous with industries, products and missions far afield from what has been seen as "high tech." Citizens Financial Group SVP of Media Relations and CEO Communications Peter Lucht said, "We need to attract people who only think of working for Google."

"Corporate brands can no longer be one-dimensional, positioned to resonate only with customers and consumers."

Further, brand management is less and less about projecting messages and ad campaigns into the world and more about providing authentic 'on brand experiences' – hence, the importance of managing brand and culture in parallel, as an integrated whole. Indeed, the essence of enterprise authenticity is not having daylight between a company's brand promise and its reality. In today's world of unavoidable transparency, any such daylight will be spotted immediately, possibly with enormously damaging impact. Modern corporate or master brand stewardship requires a rigorous brand system – a system that ensures every touchpoint and experience with your company authentically manifests its unique character, from what it means to "look and sound like" your enterprise – the dimensions traditionally within the remit of Communications and Marketing – to how your company "thinks and performs" when it is most itself. This gives the corporate brand stewards – usually CCOs – license to influence business policy and strategy.

We heard this from CCOs around the world:

"Every action you take, every word you use defines your brand."

Mel selcher
Vice President, Brand Communication and Social Impact, LinkedIn

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"If you want a good brand communication you have to show people. Give them an experience. Come up with the experience, design it, bring it to life. Let people feel the brand."

Grant Xia
Tishman Speyer in China

"A few years ago, working with several hundred of our leaders, we identified who we are, what we need to be. We knew we had to not only articulate something different about the GM brand, we had to live it. That led to the redefinition of GM's brand and the identification of GM behaviors. They aligned perfectly."

Tony Cervone
Senior Vice President, Global Communications, General Motors

"I said to the CEO that we should revisit our brand positioning. He didn't think we had a brand because we're not a consumer company. Then I talked about our 'license to operate.' That got his attention. Then we talked about our reputation and brand by stakeholder, our core values. Then we agreed on our purpose, mission, values. Then we showed them to our employees and they agreed with some, but in other cases they said we need to do more work to make it true."

Koenraad Van Hasselt
Head of Communications, TenneT Holding

"I am very much involved in every creative decision that shapes the brand experience, particularly in ensuring that the experience retains our core brand attributes but is relevant to the local consumer. The brand experience creates our reputation."

Regional China Leader for Communications
Multinational Corporation

A Brand System is not only a powerful way to strengthen and protect corporate reputation, express corporate culture (reinforcing behavior) and distill competitive differentiation. It is also the most powerful lever to transform all aspects of the company itself. This may be one of the reasons for an early but notable trend – the disappearance in some quarters of the Chief Marketing Officer.

As reported in July 2019 by CNBC, companies such as McDonald's, Uber and Johnson & Johnson have eliminated the role:

"The changing role of marketing is reflective of the huge variety of new ways to advertise to and communicate with consumers. There is now an enormous range of new marketing technology (Martech), for example, from software that personalizes websites for each visitor to tech that uses artificial intelligence (AI) to create thousands of slightly different versions of an online ad. Rupczynski at McDonald's will report to Daniel Henry, the company's chief information officer, reflecting the importance of technology in marketing…" "Uber wants to have one person who is ultimately responsible for sending a united message to all Uber audiences," CEO Dara Khosrowshahi said in an email to employees. "It's increasingly clear that it's crucial for us to have a consistent, unified narrative to consumers, partners, the press, and policymakers, he wrote." [19]

Brand, properly understood at a strategic level, is a passport to elevating all areas of the enterprise – operations, policies and practices, strategy and culture.

This is because the brand is the public expression of the enterprise's Corporate Character. The brand is the totality of what is seen, heard and experienced through every communication and touchpoint. It is what is experienced by every stakeholder who matters to the company: customers, employees, suppliers, investors, policymakers, neighbors. Brand strength is a function of authenticity and a driver of reputation. To be a great and distinct brand over time, you must first be a great and distinct company.

Traditionally, Marketing has been seen as the "owner" of brand, because brand has been seen primarily as attributes and differentiators to appeal to customers and consumers. However, given the landscape driving CEOs to transform their organizations, that definition of brand is no longer sufficient.

As Leandro Conti, who leads Communications and Marketing at UnitedHealth Group Brazil, put it: "The marketing function focuses on the person as a consumer. But we must influence and engage the person as a whole. Communications understands that, and it liaises with other parts of the company, sees the company as a whole."

Asked with whom they work most closely on brand stewardship,

80%
say CEO

56%
say CMO

43%
say CHRO
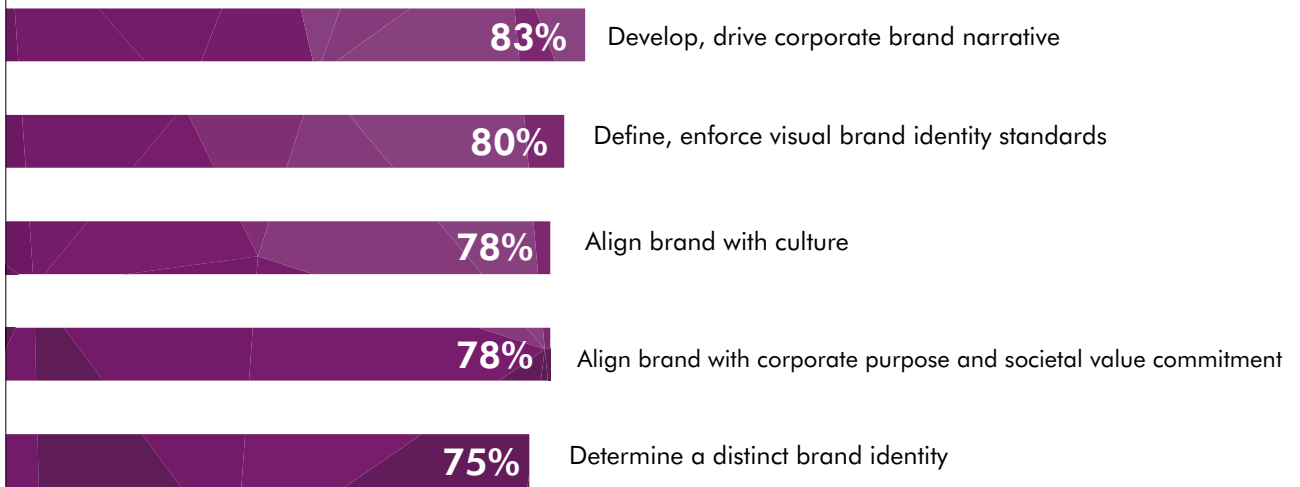
Why CHRO? It correlates with our findings in Culture and may reflect the CHRO's interest in positioning the brand to attract talent.

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[19] Lucy Handley, "McDonald's, Uber and Johnson & Johnson no longer have chief marketing officers — here's what that means," CNBC, July 25, 2019, https://www.cnbc.com/2019/07/25/mcdonalds-uber-and-jj-have-removed-the-chief-marketer-role---heres-why.html
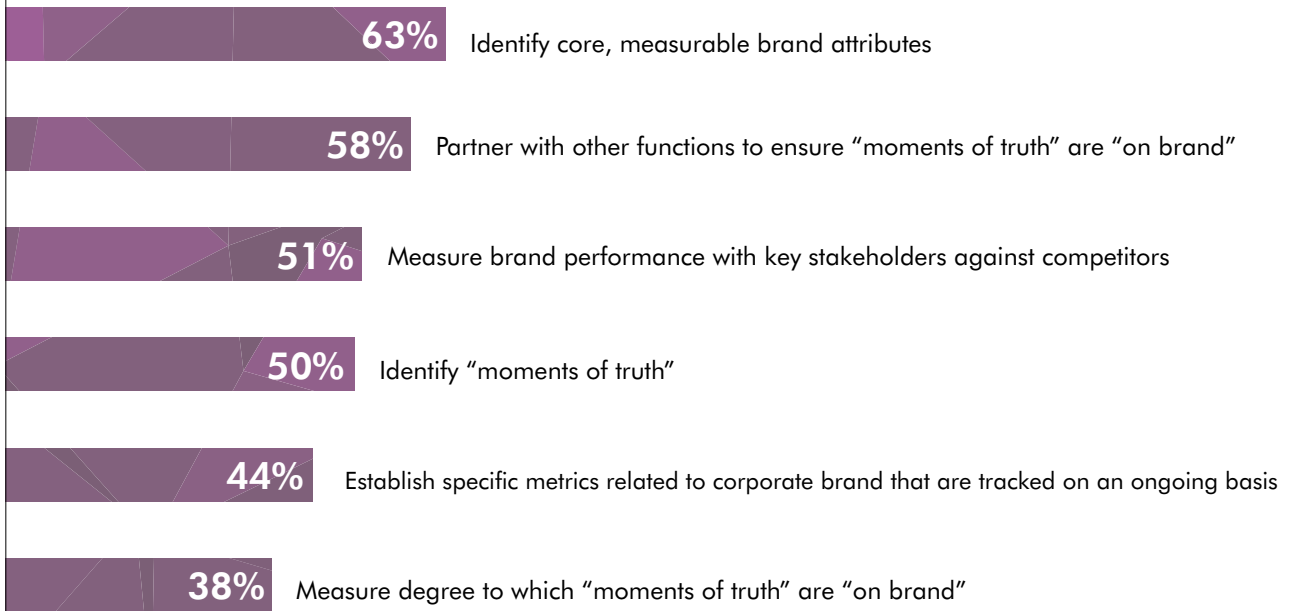
The top activities performed by CCOs align with where they reside along the Progression Path.
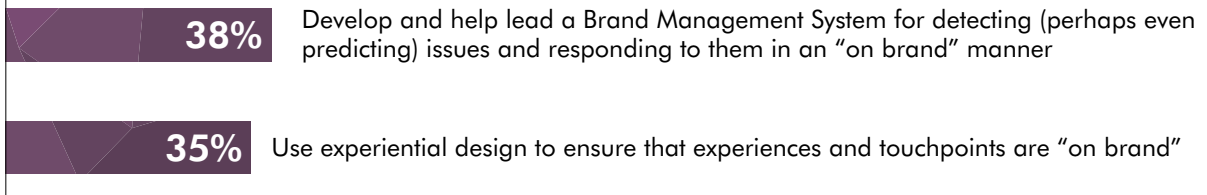
Stage 1. Professional:

83% Develop, drive corporate brand narrative

80% Define, enforce visual brand identity standards

78% Align brand with culture

78% Align brand with corporate purpose and societal value commitment

75% Determine a distinct brand identity

Stage 2. Pathfinder:

63% Identify core, measurable brand attributes

58% Partner with other functions to ensure "moments of truth" are "on brand"

51% Measure brand performance with key stakeholders against competitors

50% Identify "moments of truth"

44% Establish specific metrics related to corporate brand that are tracked on an ongoing basis

38% Measure degree to which "moments of truth" are "on brand"

Stage 3. Pacesetter:

38% Develop and help lead a Brand Management System for detecting (perhaps even predicting) issues and responding to them in an "on brand" manner

35% Use experiential design to ensure that experiences and touchpoints are "on brand"

2.3   They are moving from Internal Communications to a Culture System

A company's culture is the collective *behavior* of its people – the explicit and implicit "way we do things here." Weak cultures result from ambiguity, inconsistency and a chasm between what the company says and how it behaves. Strong cultures are rooted in shared beliefs and values; learned through stories, object lessons and role models; reinforced by rituals, symbols, rewards and recognition; and supported by the company's leaders, processes, systems and the workforce itself.

Many companies share common cultural aspirations – customer focus, teaming, innovation and inclusion. Today, many organizations seek to adopt modern forms of teaming and innovation, such as Agile work methods. But actual company cultures are distinctive. Culture is the most concrete manifestation of an enterprise's brand and character and the most intimate and visceral form of authenticity – which is why it can either be a powerful competitive advantage or lead to a company's demise.

Shaping culture is arguably the hardest work for CCOs – the biggest obstacle to the work of enterprise transformation – and getting it right is never-ending work. Gone are the days when culture was seen as "soft" and/or solely the responsibility of Human Resources. Over the past two decades, many Communications departments have gone beyond traditional employee communications to partner with HR and other functions in translating messaging into behavior. Today, with nearly every enterprise seeking to transform itself in the face of disruption, culture change takes on even more importance.

ADNOC, the Abu Dhabi national oil company, is transforming its culture to deliver better financial performance in the face of lower oil prices and increasing competition. Omar Zaafrani, the SVP of Group Communications, is working with the CEO and across the C-Suite to design and drive the change. "The actual behavioral change will need to stem from programs and processes that allow the culture to thrive," he said. "It's not sustainable on its own."

Even in Silicon Valley, CCOs of several major "disruptor" firms identify culture change as a top priority. Said one, "We're all about transparency, diverse voices, letting everyone speak out. But now they're speaking out on issues that challenge the leadership of the company. As you get larger and more diversified, you must deal with many complex equations and trade-offs. That doesn't lend itself to simple rallying cries. How do we mature?"

For some CCOs, scaling and perpetuating a distinctive culture, rather than transforming one, is the focus.

"Three years ago, I was focused on protecting the reputation of the firm. Today, defining and activating culture is the top priority for me. Bloomberg has a very strong record of success. The reason is because of our culture – the ability to try and fail, to take risks and innovate. It's how we work every day. As we grow and as our employee population remixes, we don't want to lose our culture. We want to maintain it."
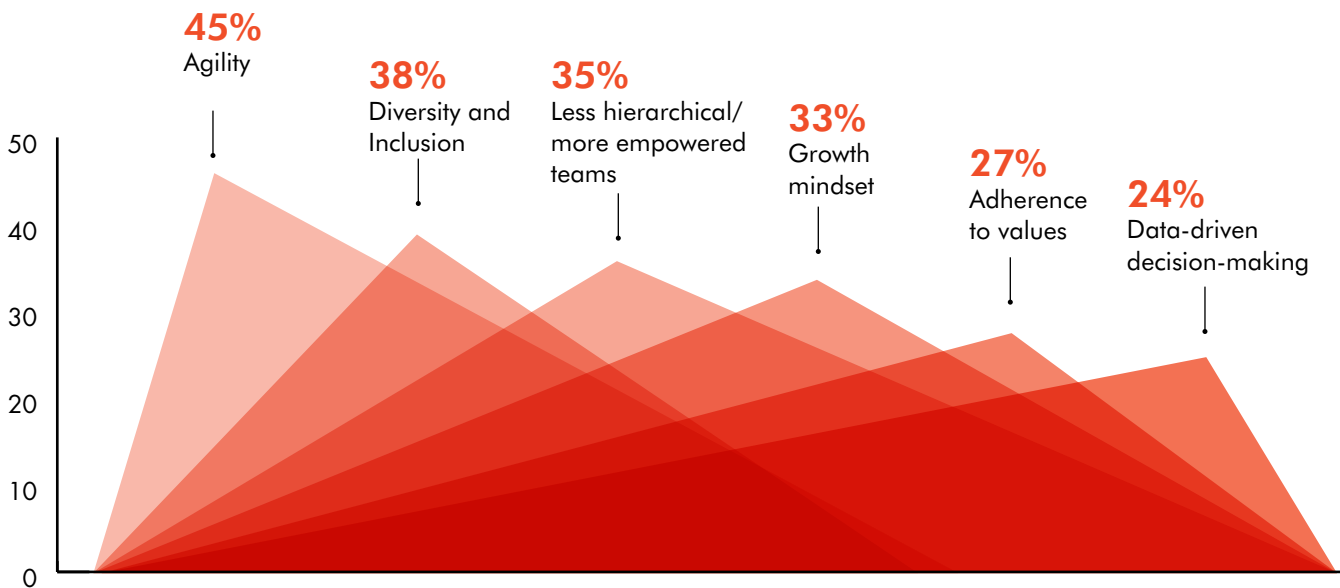
— **Jason Schechter, CCO of Bloomberg**

"I led a brand strategy discussion, which concluded that our culture is our number one advantage – not our gene therapy technology. We have a role in activating our culture. We have to push other functions, too. It's how we will maintain the course for enduring growth."

— **Stephanie Fagan, SVP of Corporate Communications for bluebird bio, a gene therapy company**

Whether to preserve and scale a distinctive culture or to transform one, every Communications function needs a systematic approach. As the Page Model from our *Building Belief* report demonstrates, to instill belief, to translate belief into action, to make actions into habits and to turn those patterns of behavior into authentic advocacy requires a deliberate, cross-enterprise management system that is aligned with the company's Brand System and supported by the company's CommTech platform. It also requires the support of performance management policies, rewards and recognition programs, and the design of rituals and experiences that reinforce the desired behaviors.

Perhaps most important, culture requires a dedicated commitment from all employees, from the C-Suite to the front lines and including middle managers who are capable of blocking or facilitating any change initiative. Communicators can use CommTech systems to motivate, educate and equip leaders at all levels of the company to exhibit the desired behaviors and to help their employees and teams do the same.

What did CCOs tell us about how corporate cultures are evolving, and how they are creating an Enterprise Culture System? **The most important attributes of high-performing corporate cultures in the future will be:**
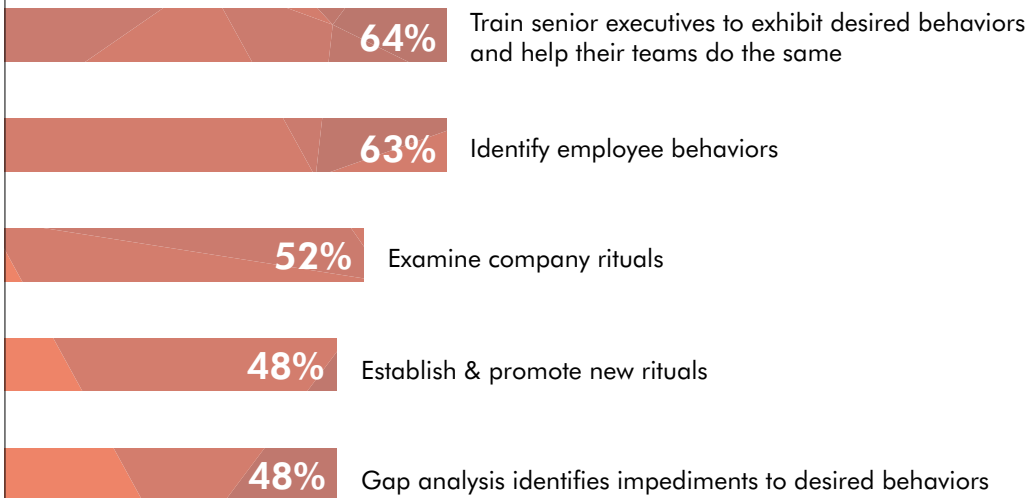

45%
Agility

38%
Diversity and Inclusion

35%
Less hierarchical/ more empowered teams

33%
Growth mindset

27%
Adherence to values

24%
Data-driven decision-making

The top culture-related activities performed by CCOs align with where they reside along along the Progression Path.

Stage 1. Professional:

85% — Integrate culture messaging into internal communications

78% — Survey employees about their expectations of corporate culture

63% — Create visual identity for your culture

58% — Define the desired culture

Stage 2. Pathfinder:

64% — Train senior executives to exhibit desired behaviors and help their teams do the same

63% — Identify employee behaviors

52% — Examine company rituals

48% — Establish & promote new rituals

48% — Gap analysis identifies impediments to desired behaviors

Stage 3. Pacesetter:

65% — Provide work environments that support desired behaviors

56% — Provide tools to enable employees to work in the desired way

44% — Change systems and processes that are misaligned with culture

2.4   They are evolving from CSR to a Societal Value System

The world expects more of businesses today than shareholder returns. We see increasing expectations for firms to create societal value – through their core business products and services, through responsible corporate policies and programs and, in a relatively new development, by speaking out on societal issues.

The stakeholders who are looking for societal value include not only civil society activists, but also customers and, increasingly, investors – more and more of whom are focused on long-term value and want to invest in companies that will be able to create it sustainably.

In addition, new generations of workers are making career decisions based on whether they will have opportunities to create meaningful, positive change in society.

To meet those expectations demands authentic societal value creation, which is not just a positioning exercise. Societal value, to be credible and impactful, must be integrated into the company's public face, into all its policies and processes and into the actual behavior of the firm's businesses and its people.

For leading CCOs, measurable societal progress is an integral part of competitive differentiation, corporate reputation and brand value. These leaders are helping their companies win the war for both investment and talent by making Societal Value Creation more than an afterthought. It requires a management system that draws on the company's brand, its culture and its CommTech platform to move beyond CSR, corporate philanthropy and cause marketing.

To create an enterprise-wide commitment to creating societal value, leading CCOs start with a focus on the key questions: Why do we exist, and what value do we create? The definition of corporate purpose can go beyond creating customer and shareholder value to the creation of societal value through the company's products and services. As Hans Koeleman of KPN asked, "What does your company bring to the world other than products and profits?" A CCO of a leading American pharmaceutical company said, "Our greatest societal value is in the products we make. Saving lives; helping people deal with their disease and have happy and productive lives. It's core to our business."

Varsha Chainani, senior vice president, Group Communications, of Mahindra & Mahindra, Ltd. in India, leads the implementation across the conglomerate of the company's purpose, which is expressed in one word, "Rise." It expresses a commitment to drive positive change in the lives of stakeholders and communities across the world. She said, "We have to make sure purpose doesn't become a slogan.

It's not a campaign and it doesn't end. For a company like Mahindra, it's a way to inspire each business and its people to drive the kind of change in the world that defines the company and its reason for being."

Next, CCOs should consider positive and negative effects of the company's operations and policies on environmental, social and governance issues (ESG), including human rights, communities, diversity, privacy, or any other issues that might affect the sustainability of the enterprise and the planet. The CCO of an American medical device company said, "Investors are increasingly asking questions, want information, transparency about ESG. This is causing management to pay more attention." And the CCO of a European telecommunications company said, "CSR here is not a department. It is the totality of everything the company does with society: sustainability, labor force, human rights, etc."
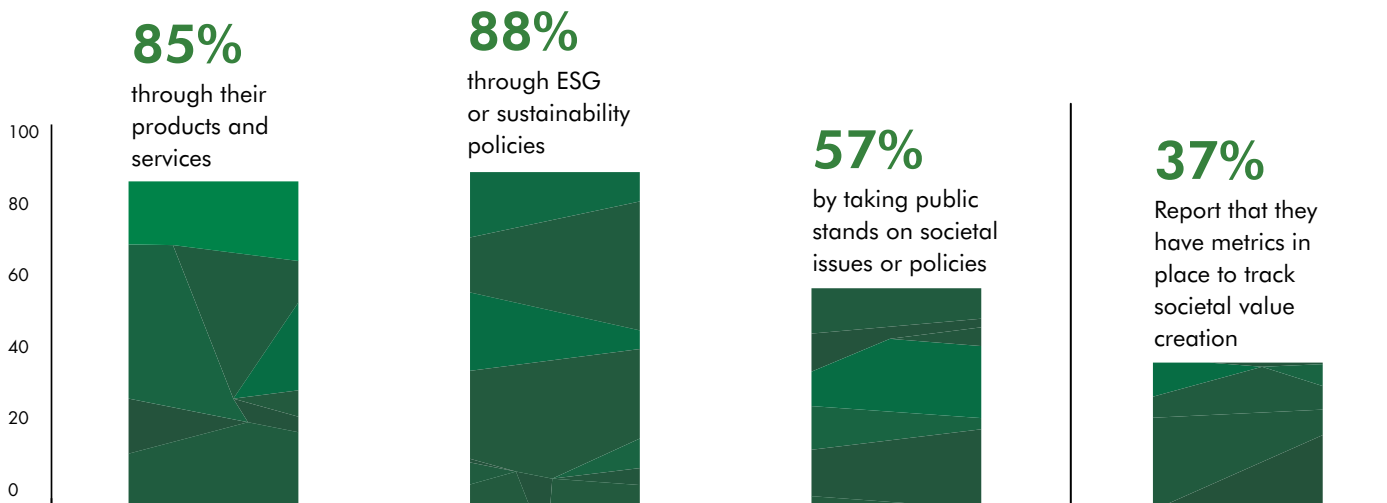
"Stakeholders want brands to create authentic societal value, which goes beyond positioning."

Finally, companies can consider whether and how they might contribute to societal goals by taking stands on socio-political issues. Studies have shown that this can both advance policy objectives and enhance brand value. Writing in *The New York Times*, two researchers from Duke and Harvard, Aaron Chatterji and Michael Toffel, report that their research results "suggest that CEO activism can sway public opinion – and also increase interest in buying the company's products." It can also energize employee engagement. At Godrej, another Indian conglomerate, a longstanding commitment to inclusion in the workplace led the company to take a bold stand for LGBTQ rights. Sujit Patil, vice president and head of Corporate Brand and Communications, said that stand was controversial among some elements of Indian society, but for employees, it's been energizing. Godrej is prominently mentioned among several firms that welcome LBGTQ individuals in coverage of the recent Indian Supreme Court order that decriminalized gay sex.[20]

As UnitedHealth Group Brazil's Conti put it, "We are in an era of transparency. Everything can be seen or, at the least, it can be leaked and widely spread. We must communicate the truth and speak openly about flaws." He also noted the increased need for speed: "With polarization, if you are not transparent, people will make conclusions about you very quickly. You can be judged in a very distorted way."

This is not to say that every company should speak out on every issue. Determining when and how to take a stand and on what issues must be thoughtful and nuanced. It makes the most sense to weigh in on issues that are aligned with the company's purpose and values, on which the company has standing, and where it can advance stakeholder engagement, as well as spur progress in solving a societal issue. The CCO of an American consumer foods company said, "We get pressure from within to speak out. Mostly, we are not doing so. We ask, 'How important is the issue to our business, and are our actions matching the words?' Our business is in 98% of households and involves daily buying decisions. On issues like hunger and climate change, we will speak out."

In our quantitative study, high numbers of responding executives report that they create societal value:

85% through their products and services

88% through ESG or sustainability policies

57% by taking public stands on societal issues or policies

37% Report that they have metrics in place to track societal value creation

Corporate communications or affairs functions are involved in setting up ESG programs

54% As a leader

43% As a participant

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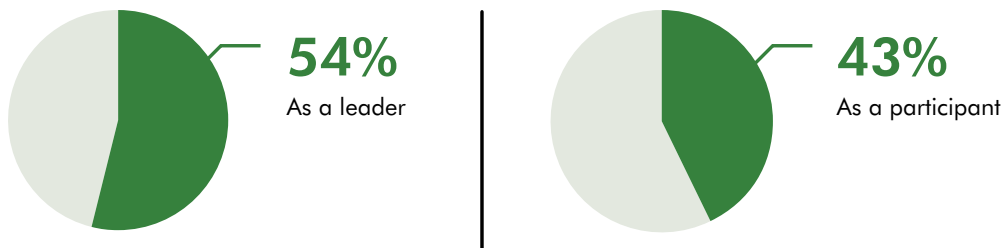
[20] Yesha Kotak, "Corporates come out with LGBTQ-friendly policies post SC verdict on section 377," Hindustan Times, October 15, 2019, https://www.hindustantimes.com/mumbai-news/corporates-come-out-with-lgbtq-friendly-policies-post-sc-verdict-on-section-377/story-QPkaSEcsyoYtnwidXxsOuL.html
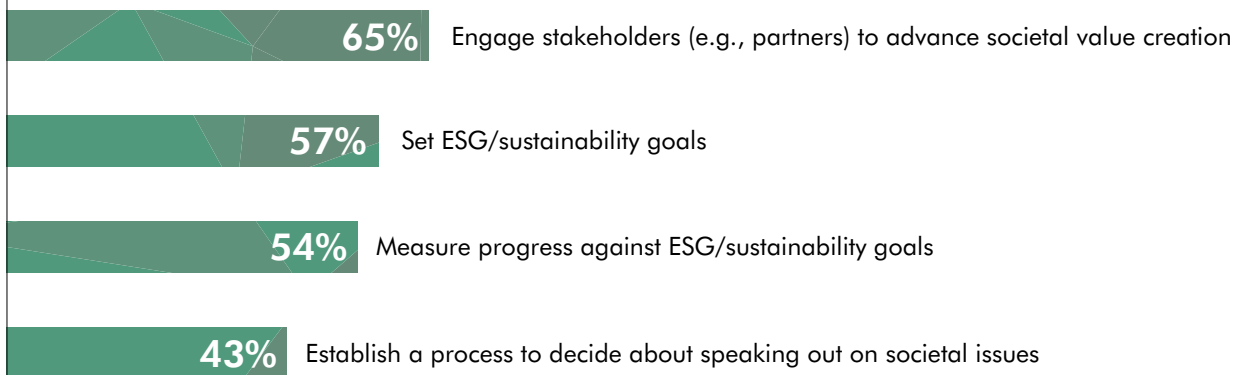
We see this in the key activities in which CCOs are engaged at each stage of the Societal Value Progression Path.
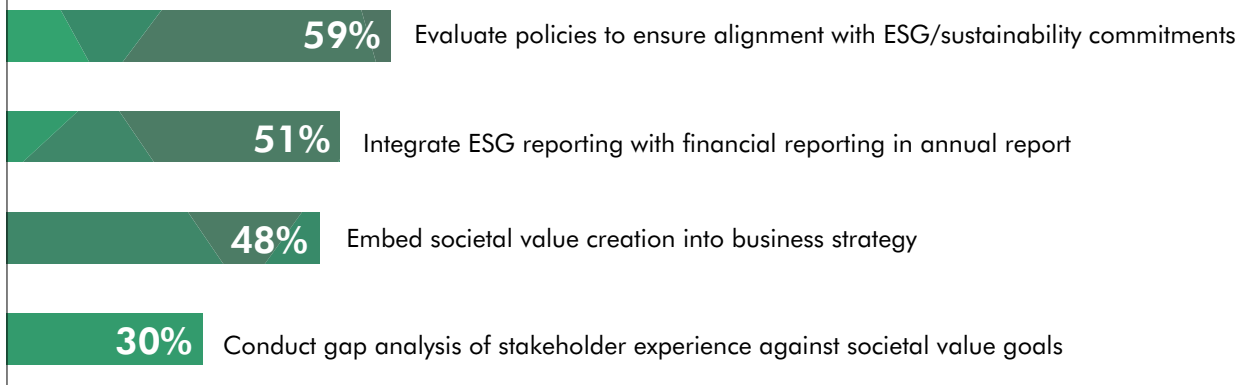
Stage 1. Professional:

80% Tell their societal value story to key stakeholders

84% Encourage employees to participate in societal value creation

80% Clearly define the organization's societal purpose

70% Align purpose and societal value creation with brand promise

69% Align purpose and societal value creation with culture

63% Evaluate policies to ensure alignment with ESG/sustainability commitments

Stage 2. Pathfinder:

65% Engage stakeholders (e.g., partners) to advance societal value creation

57% Set ESG/sustainability goals

54% Measure progress against ESG/sustainability goals

43% Establish a process to decide about speaking out on societal issues

Stage 3. Pacesetter:

59% Evaluate policies to ensure alignment with ESG/sustainability commitments

51% Integrate ESG reporting with financial reporting in annual report

48% Embed societal value creation into business strategy

30% Conduct gap analysis of stakeholder experience against societal value goals

From Professional to Pathfinder to Pacesetter in CommTech, Brand, Culture and Societal Value

Progression Paths are, to oversimplify, paths from the work of definition and messaging to the work of system-building and behavior change. And that is why you will notice one common and important thread across every Progression Path. Collaboration and partnering skills become more important – indeed, a requirement – as you move from Professional to Pacesetter.

Work at the Professional level is foundational – and familiar. Messaging, storytelling, narratives, working with influencers – these mostly fall within the domain of the CCO and the communications function. But work at the Pathfinder and especially the Pacesetter levels moves us into new territory and requires deeper partnering. Closing experiential (not just perception or opinion) gaps and affecting operational change and business outcomes require close collaboration across the C-Suite. And it necessarily impacts the skill requirements of the communications function.

LinkedIn's Mel Selcher, said, "Co-ownership is a powerful tool. We can't stay in our silo. With brand, everything I do here is co-sponsored with a product person because so much of our brand is the experience people have with our product. With culture, there's tight collaboration with HR."

When asked how his job has changed, Tony Cervone, the CCO of General Motors, said, "Assessing talent is very different today. The biggest difference is the importance of collaboration skills. It is the single most important element in moving up my organization. Our best work is when we partner with the CEO's other direct reports, with the CMO, with HR, with key business partners and subject matter experts. That's when we can impact the business versus just getting great publicity. The former becomes more important as you rise in the business, and I've needed to model that."

Tristan Peniston-Bird, former Chief Corporate Affairs Officer of Velcro Companies, said, "Who leads doesn't matter. The CCO should be the integrator."

Progression Levels

Work at the professional level is foundational: messaging, storytelling, working with influencers to impact perception.

Work at the Pathfinder level employs new and deeper partnerships as focus shifts from influencing perception to influencing behavior.

Work at the Pacesetter level closes experiential gaps, effects operational change and drives business outcomes.

COMMTECH

The Progression Path for CommTech can most simply be described as a journey from "what we want you to know" to "what we would like you to do."

3. PACESETTER

Optimize for performance and transformation.

- Hyper-targeting
- Dynamic content
- Continuous optimization
- Identify opportunities for on-brand activities
- Source of rich enterprise data

KPIs:
- Net Promoter Score
- User reviews
- Job offers accepted
- Leads generated, progressed

2. PATHFINDER

Campaigns that move stakeholders to action.

- Establish Agile teams
- Target by digital behavior
- Design journeys that lead to outcomes
- Content for each touchpoint
- Launch, iterate, optimize
- Paid is essential
- Detect, address fake news

KPIs:
- Audience engagement (open rates, click-throughs, conversion)

1. PROFESSIONAL

Content is king.

- Listening yields insights.
- Create, distribute content tailored to the channel
- Monitor social platforms for keywords, sentiment
- Audience determined by platform and channel

KPIs:
- Content engagement (views, likes, shares, retweets)

COMMTECH

1. PROFESSIONAL

Content is king.
- Listening yields insights.
- Create, distribute content tailored to the channel
- Monitor social platforms for keywords, sentiment
- Audience determined by platform and channel

Here, *content* is king and *listening* yields insights.

Create and distribute content.

Develop compelling digital content in all forms – video, photography, long- and short-form editorial, infographics, animation, webinars – and make it available to stakeholders directly, on your own and third-party digital channels and platforms. As Paul Michon, Corporate Communications Director for Kering, said, ""We used to use social to influence traditional media to write. Now it can be used to influence millions of people. We think about social media content from the beginning. Bertrand Blaise, VP of Corporate Communication and CSR for Groupe PSA, said, "There is no 'external' and 'internal', no more 'press officers.' Now we have 'information managers.' They are responsible for 360-degree dissemination of information."

Since you are developing content to be shared, not just consumed, tailor content for what works best for each platform and channel (e.g., Snap is not Medium is not Pinterest).

Develop systems and processes that enable employees to share content.

Rainer Ohler, recent CCO of Airbus, said, "We went from telling employees, 'Don't you dare' to realizing that employees are active on social. Now we are entering the zone, – 'Now we want you to do it!' – and we see excellent results."

Siemens developed a social tool for employees called Ingenuity. Said Head of Corporate Communications Clarissa Haller, "To have a valuable conversation with an audience it is important to focus on what they are interested in, not talk about only what we are interested in. It also means we need to enable our people to tell stories. We designed a platform that uses machine learning to support the writing process with topic suggestions, hashtags, and wording and layout suggestions. To create true engagement we're completely rethinking the commenting experience to invite and encourage genuine conversation."

Adopt standards to ensure that your content is trusted.

This will be of increasing importance, and potentially a differentiator, as misinformation, fake news and deepfakes proliferate.

> Pierre Goad, formerly of HSBC, said, "The entire communications function at HSBC is a newsroom. I'm a former Wall Street Journal reporter and I imposed journalism ethics when HSBC introduced the newsroom approach. The bank is producing sound, fact-checked material every week. Companies must find a way to convince people that what they publish is correct, accurate, trustworthy, that it came directly from the company and not from someone else."

Monitor social platforms.

Listen by keywords/terms (brand, products, CEO, issues, competitors); track notable influencers; analyze tone, sentiment; be alert for uses of fake news, viral memes and deepfakes, and call them to the attention of C-Suite colleagues and the company's cybersecurity teams.

> # We went from telling employees, 'Don't you dare' to realizing that employees are active on social. Now we are entering the zone, 'Now we want you to do it!' – and we see excellent results."
>
> ## — Rainer Ohler
> *CCO, Airbus*

Audience:

Determined by platform and channel (e.g. people who follow the company on Twitter, visitors to websites, employees using intranet).

Key skills:

A full range of editorial and content creation; social media management; basic analytics. Teams are often modeled after newsrooms and studios, as well as social listening "mission control" rooms.

> Siemens' Haller established an analytics team. They quickly discovered that 77% of Siemens' external and internal websites were never clicked on.

KPIs:

Focused on *content engagement*: traffic, views, downloads, likes, shares. For social monitoring, typical KPIs include word clouds, share of voice, tone, sentiment.

COMMTECH

2. PATHFINDER

Campaigns that move stakeholders to action.

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We've been communicating what we want stakeholders to know. Now, we focus on what we want them to do – by designing and nurturing them along prescribed journeys. Here, we shift from publishing digital content to managing digital campaigns – whose results are measured not by beliefs or attitudes, but actions and behaviors. Stephanie Fagan of bluebird bio said, "Traditionally we use digital tools for listening. We now use them to engage." And Clarissa Haller of Siemens said, "We were not focused on what people are interested in. We focused on what we wanted them to know about us. Our focus was on telling versus enabling."

Establish Agile teams.

To design, manage and improve campaigns, your team requires several disciplines and skill sets – content, data analytics, design – and it needs to work quickly and iteratively, making decisions based on data that is as real-time as possible. The team needs to be empowered to act with speed. This is Agile.

Agile is not a synonym for fast and flexible. It is a new, data-driven method of getting work done with teams. Its origins are in modern software development, but it is being rapidly applied to many business functions and operations. To be effective, Agile teams must be formally trained, organized, equipped and run in a prescribed way.

Audience targeting.

Your team understands and targets your audience through analysis of their digital behavior (e.g., search, social activity, ad clicking). In some cases, particularly in B2B applications, analyze the target audience's networks – who they follow, who follows them, strength and reach of influencers.

> Clarissa Haller's team at Siemens developed "Coffee Mug," a mobile app for employees driven by machine learning. Employees select 5, 10 or 15 minutes of content, select topics of interest and the time of day and frequency at which they want to receive news and information. The system understands content inside and outside of Siemens and, based on each employee's profile, personalizes content for them. The system continuously learns based on how much time each employee spends on content and improves its recommendations.

Design the journey.

What action do you want the target audience to take? Working backwards from that outcome, your team designs journeys with defined touchpoints. The initial touch might be an e-mail, which contains an embedded link, which leads to a website, which leads to an action – for example, a webinar to enhance learning, a portal to explore job opportunities and upload CVs, a simulation tool, or a free trial of a service or product.

Create content for each touchpoint.

Your content creators tailor content for the target audience and for each stage in the journey. For example, a 20-minute educational webinar is best suited for later stages in the journey.

Launch and analyze campaigns.

With your journey designed, with each touchpoint supported by tailored content, with audience targeting in hand, your team is ready to launch your digital campaign. Because your team is Agile, it is prepared to rapidly iterate – your content, your audience targeting, the digital experience, your use of paid – based on the performance of your campaign.

> Multivariate testing and Agile methodology are key here. Develop hypotheses about what types of content will drive the desired behavior, and vary its elements – like subject lines, link placement, images, copy, calls-to-action, etc. – to observe user behavior. For example, a landing page for an employee volunteerism campaign might feature one of three call-to-action buttons: "Be a part of something," "We need you," and "Help those in need." None of these is right or wrong per se, but each will likely perform differently with different types of users. Observe these patterns and deploy rapid adjustments and additional iterations to keep optimizing performance. Behavioral science can inform this work as well.

Address fake news and "deepfakes".

The CommTech team becomes an integral part of the organization's cyberdefense system, which continuously detects, defends and protects the company against cyberattacks. These attacks have primarily assaulted company data centers, but they will go increasingly after firms' brand and reputation through manipulated, altered and completely fabricated digital content – created and amplified by bots and AI.

> In addition, modern cybersecurity includes regular programs of testing, education and discipline to ensure all employees observe security measures and protect enterprise data and personal privacy. The CommTech team must be fully integrated into these processes – not simply to publicize them, but to help shape them, based on its professional knowledge of the company's context and its broader "conversation."

KPIs:

Now you are measuring *audience engagement* – KPIs like e-mail open rates, click-throughs and "bounce" rates to see if the audience is progressing along the prescribed journey. Analyze the gaps – for example, why people are clicking through to your website but leaving after only 1.5 seconds – and experiment with content and design modifications to boost performance.

COMMTECH

3. PACESETTER

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- Dynamic content
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- Identify opportunities for on-brand activities
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We shift from Digital Communications to Performance Communications. And, in addition to optimizing our campaigns, we are leveraging our insights to optimize our company. That is, the company's core operations and functions – from the C-Suite through sales and product creation – adapt to what the CommTech team has discovered and framed.

Audience.

Hyper-targeting and continuous refinement of cohorts – in some cases, down to individual decision-makers – based on their digital behavior.

Dynamic content.

Through techniques like A/B testing, content, offers and experiences are tested and personalized, aided by some degree of automation.

Optimizing a broadening array of outcomes.

Agile teams are continuously iterating, improving campaign performance at all stages of the journey. By analyzing audience interaction data, they are identifying issues and opportunities and collaborating with others in the company to respond in an "on brand" manner.

> For example, if a significant number of employees abandon a learning experience after only a few minutes; the team collaborates with HR to improve the experience and boost completion rates.

Proactive response to "truth decay".

The CommTech team uses advanced technology to detect attacks on the organization or its stakeholders. The team takes on a broader societal role, leading the organization in engaging with the firm's partners, its industry and society at large to expose fakes and ensure the accuracy and credibility of public information.

KPIs:

Stakeholder advocacy (e.g., Net Promoter Score). Business outcomes: legislation passed or defeated, proxy battles won or defeated, job offers accepted, employees working in new ways (enhanced teaming, customer-centricity, speed, etc.), Glassdoor rankings, user reviews.

ENTERPRISE BRAND STEWARDSHIP

3. PACESETTER

Brand as lever of transformation, "on brand" experience
- Instrument key touchpoints
- Apply brand to culture and societal value
- Add "Performs like"
- Establish/participate in management system

KPIs:
- Net Promoter Score
- User reviews
- Job offers accepted

2. PATHFINDER

Manage brand as a competitive differentiator
- Develop brand attributes as decision criteria
- Brand performance measured against peers
- Add "Sounds & thinks like"
- Gap analysis on "moments of truth"

KPIs:
- Performance by brand attribute and stakeholder, relative to competition

1. PROFESSIONAL

Establish Identity:
Who the company is and what it stands for.
- Company narrative
- Visual identity standards: "Looks like"

KPIs:
- Recgonition
- Awareness
- Perception
- Rankings on third-party lists
- Compliance with design standards

ENTERPRISE BRAND STEWARDSHIP

1. PROFESSIONAL

Establish Identity:
Who the company is
and what it stands for.
- Company narrative
- Visual identity standards: "Looks like"

This is about identity — defining and communicating who the company is and what it stands for.

Develop and drive corporate narrative.

Define, communicate and illustrate "who we are and what we stand for," based on the company's mission, purpose and values — through storytelling, announcements, executive communications, shareholder communications, sometimes advertising.

General Motors' purpose is distilled in its "Zero, Zero, Zero" strategy – GM's goal of zero crashes, zero emissions and zero congestion.

Hologic Vice President of Global Divisional Communications Jane Mazur, who has brand responsibility for the company, said, "We had no brand narrative. Who are we? Where are we going? What are our mission, vision and values? We developed them."

Define and enforce visual identity standards.

Logo, brand marks, typefaces, color palette, naming conventions. These establish what it means to "look like" your company.

Key skills.

Graphic and visual design

KPIs:

Recognition, awareness, perception metrics; rankings on third-party lists (e.g. Interbrand, Fortune); compliance with design standards.

ENTERPRISE BRAND STEWARDSHIP

2. PATHFINDER

Manage brand as a competitive differentiator
- Develop brand attributes as decision criteria
- Brand performance measured against peers
- Add "Sounds & thinks like"
- Gap analysis on "moments of truth"

1. PROFESSIONAL

Establish Identity: Who the company is and what it stands for.
- Company narrative
- Visual identity standards: "Looks like"

This is about managing brand as a *competitive differentiator*. The goal now goes beyond whether your stakeholders recognize your brand and understand and even support your purpose and mission. The goal is whether the brand influences their decisions: to buy from you, work for you, invest in you, allow you to operate. In order to achieve that goal, brand must be managed through a CommTech suite of capabilities.

Identify core, measurable brand attributes.

What differentiates your organization from competition? Your brand's value and equity are built on these attributes, which are typically few in number and change little over time. Your core brand attributes are essentially decision-making criteria for stakeholders.

For example, "We make the planet healthier" may be an effective purpose statement, but it is neither differentiating nor measurable relative to competition. "We provide accessible and affordable healthcare solutions" is a stronger choice for a brand attribute for customers and "I work for a company that is making people healthier" for employees and prospective employees.

Establish a Brand Performance measurement system.

For each stakeholder group, identify a peer group of competitors. They will likely vary by stakeholder. Establish a benchmark comparing your core brand attributes against competitive peers and regularly re-assess. This measures with data your brand strength relative to competition.

For example, "In the opinion of existing customers, we enjoy a 15-point advantage over our top two competitors in 'provides accessible, affordable healthcare solutions,' but with prospects we trail by 10 points in the same core brand attribute."

Add to your Brand Platform "sounds like" and "thinks like" elements.

Does your company think and sound like an engineer, a consultant, a designer, a man or woman, an entrepreneur, an academic, a middle-aged person, an activist? No matter which, does it think and speak in a way that is immediately expressive of its own unique identity? These choices demonstrate to your stakeholders how your company sees the world, frames and solves problems, creates value and manages relationships.

Clarity and intentionality about these choices build strong, distinctive brands.

Conduct gap analyses.

Now that you are assessing your brand's performance by stakeholder and by competitive peer group and have defined what it means to "Look, Sound and Think like" your company, you are ready to assess 'moments of truth' with stakeholders. Co-create and take actions to close the identified gaps.

Examples: Collaborating with HR, assess whether employees' "first day on the job" is "on brand" — i.e., it "looks," "sounds" and "thinks" like your company. In collaboration with customer support, assess if the company's response to a customer crisis is "on brand." In collaboration with the CIO and general counsel, assess if your company's response to a cyberattack is "on brand."

Key skills:

Market research/intelligence, data analytics, collaboration

KPIs:

Brand performance by core brand attribute and by stakeholder relative to competition; ongoing gap analysis of 'moments of truth.'

ENTERPRISE BRAND STEWARDSHIP

3. PACESETTER
Brand as lever of transformation, "on brand" experience
- Instrument key touchpoints
- Apply brand to culture and societal value
- Add "Performs like"
- Establish/participate in management system

2. PATHFINDER
Manage brand as a competitive differentiator
- Develop brand attributes as decision criteria
- Brand performance measured against peers
- Add "Sounds & thinks like"
- Gap analysis on "moments of truth"

1. PROFESSIONAL
Establish Identity:
Who the company is and what it stands for.
- Company narrative
- Visual identity standards: "Looks like"

This is about brand as a lever of Enterprise Transformation – using brand to ensure consistently authentic, "on brand" experiences with your company for all stakeholders. It requires systematically identifying and closing gaps through rigorous management systems and collaboration across the company. This adds "Performs like" to your Enterprise Brand System.

Instrument key touchpoints.

This augments "moments of truth" with many more touchpoints that shape the stakeholder's experience with your company. Often these touchpoints are digitally instrumented — applications that ask for feedback *in the moment* and advanced social media analytics.

Applying brand to culture.

Use the definitions, measurements and management systems that close the gap between brand and reality with results from related management systems that define, measure and transform the organization's culture (see Culture Progression Path), to ensure that employee behavior is "on brand."

Applying brand to societal value.

Use the definitions, measurements and management systems that close the gap between brand and reality, in combination with related management systems that define, measure and enact the organization's societal value system (see Societal Value Progression Path), to ensure that the company's impact on society at large is "on brand."

Establish and participate in a management system.

Such a system can be used to detect issues in real time (ideally, predicting them) and respond to them in an "on brand" manner. This builds on the collaborations formed earlier for "moments of truth."

> Examples: monitoring internal blogs for employee dissatisfaction and continuously analyzing social media for critical customer issues.

It requires systematically identifying and closing gaps through rigorous management systems and collaboration across the company.

Key skills:

Data science and analytics. Now the full range of design capability is required — from graphic and digital to experiential and industrial. Remember, the role of this design capability is limited to and focused on ensuring that experiences and touchpoints are "on brand."

KPIs:

Possible metrics include Net Promoter Score, Glassdoor rankings, user reviews.

CULTURE

1. PROFESSIONAL

Define and communicate desired culture.

- Branded internal campaigns with distinctive symbols, language
- Reinforced with storytelling
- Help leaders articulate, demonstrate behaviors
- Develop recognition and rewards programs

KPIs:
- Employee awareness
- Understanding and support

2. PATHFINDER

Activate culture by instilling, enabling desired behaviors.

- Identify specific behaviors
- Enable leaders to model
- Identify gaps and impediments, evaluate rituals
- Design experiences, rituals
- Create integrated culture management system

KPIs:
- Gap analysis
- Analytics

3. PACESETTER

Use culture to systematically change how company works.

- Set people mgmt. criteria
- Address policies/practices
- Evolve workplace
- Infuse automation and intelligence into system
- Use culture to play offense

KPIs:
- Real-time indicators (CRM, workplace issues)

CULTURE

1. PROFESSIONAL

Define and communicate desired culture.

- Branded internal campaigns with distinctive symbols, language
- Reinforced with storytelling
- Help leaders articulate, demonstrate behaviors
- Develop recognition and rewards programs

This is about defining and communicating the desired culture.

Define the desired behaviors and practices as articulated by leadership.

Do so through internal research and discussion and/or through crowdsourcing. As Tony Cervone, CCO for General Motors, put it, "For us, it's simple. Culture is defined by behaviors. Our CEO doesn't believe in 'culture management.' She believes in behaviors."

Behaviors should be logical manifestations of the company's purpose, mission and values, and specifically designed to enable fulfillment of the business strategy.

For example, a business model that promises integrated solutions for customers likely places a premium on the behaviors of *collaboration* and *teaming*. A company whose mission is grounded in innovation would likely prize the behaviors of *breakthrough thinking* and *risk-taking*.

As part of her company's culture transformation, Krista Todd, Vice President of Global Communications for Logitech, said that nearly 100% of the workforce was engaged in 50 full-day sessions.

Develop and execute internal campaigns:

Build awareness of and support for the stated culture objectives.

Create "branded" written and visual assets: These run the gamut from email, newsletters and posters to intranet content, videos and advertising. Often distinctive symbols and graphics are created to aid memory and recall. IBM's iconic "THINK" has expressed the company's ethos for more than 100 years.

Storytelling: Identify and communicate stories about employees, teams and customer situations that bring to life and illustrate the company's desired culture. Southwest Airlines shared a story of a little girl who left a stuffed teddy bear on one of their planes and the efforts of employees in two cities to reunite them.

Deploy executives and management: From company-wide communications and townhall meetings to one-on-one conversations, help leadership articulate and reinforce the desired culture.

Language, phrases and vocabulary matter: Many companies, particularly in consumer services – e.g., hospitality, airlines and retail – describe the desired behaviors in distinctive phrases employees use in their everyday work; it's part of the vernacular of the company.

Among Southwest Airlines' values are "Fun-LUVing Attitude" and "Wow Our Customers." Nordstrom practices "Yes, and…" in meetings to encourage associates to build on each other's ideas.

Develop rewards and recognition programs:

These celebrate individuals and teams who exemplify the desired cultural behaviors.

Key Skills:

Writing, graphic and visual design, editorial content creation and management, survey research.

KPIs:

Measure employee awareness, understanding and support of the company's culture objectives.

CULTURE

2. PATHFINDER

Activate culture by instilling, enabling desired behaviors.

- Identify specific behaviors
- Enable leaders to model
- Identify gaps and impediments, evaluate rituals
- Design experiences, rituals
- Create integrated culture management system

1. PROFESSIONAL

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This is *activating* culture by *instilling* – and *enabling* – the desired *behaviors* or *practices* in your company's people. As Pete Nordstrom, co-president of Nordstrom and great-grandson of the retailer's founder, says: "*Values* define who we are. *Practices* are ways of doing things that express our values."

Bloomberg's Schechter said, "I can find people who are good at corporate journalism, but they don't necessarily understand culture. Yes, the narrative is part of that, but it's different work to recruit and retain the best people and to get them to show up every day excited to be part of Bloomberg. Historically, our profession is more trained to drive a narrative than a culture."

Logitech's Krista Todd said, "Yes, we have the right words to describe our culture, but it's behavior not words. In fact, there are no words on the walls here."

Train leaders to model the behaviors.

Help leaders at all levels of the company understand and exhibit the desired behaviors and to help their employees and teams do the same. This may involve creating, with HR, a curriculum for formal management development, workshops and resources tailored for the leadership corps.

GM's Tony Cervone and his team, in "tight collaboration" with HR, created "We are GM" – an articulation of what the GM brand stands for and the seven GM behaviors needed to make it a reality.

Gap Analysis –

Establish a measurement system that assesses the distance between the aspirational culture and the reality of what employees experience. This is likely not the same as measurement of employee sentiment, climate or morale, etc. This analysis would specifically examine what stands in the way of employees *acting* and *behaving* in the prescribed ways.

> For example, if the desired culture prizes customer-centricity – "do the right thing for the customer," "delight the customer," etc. -- the analysis may reveal impediments such as insufficient delegation of decision rights, fragmentation of customer sales and support or incomplete customer data. If the culture prizes innovation, the gap analysis may reveal that employees lack the equivalent of a "suggestion box," insufficient time for blue-sky thinking or lack of funding to incubate ideas.

- Dell Technologies regularly conducts an internal survey called "Tell Dell," which invites employees to share their experience working in the company. Gaps are systematically identified and corresponding action plans are developed and implemented by a cross-functional team, including Communications, HR and Sales.

The analysis should include an audit of company rituals. Do the rituals teach, reinforce and celebrate the desired behaviors? Are they outdated? Do they need to be contemporized or retired? Are new rituals needed?

> For example, many Industrial Era companies celebrate employee service anniversaries. Is longevity still a vital element of your company's culture?

> Some companies' rituals celebrate the attainment of sales goals and "customer wins." Is this the behavior to be reinforced? Or is it customer satisfaction, delight and advocacy? Does it need to go beyond customer satisfaction to customer success?

Address the gaps and design experiences:

Establish a management system that, based on the gap analysis, begins to remove cultural roadblocks and reinforce the desired behaviors.

Remove roadblocks: The desired behaviors can be enabled or inhibited by processes, systems and policies – from budgeting, approvals and delegation to IT systems and the design of work environments.

The gap analysis will help identify roadblocks, but actually addressing them will require collaboration with the relevant leaders of your company. Approaches range from forming formal councils, teams and committees, to co-championed efforts between you and another CXO, to grass-roots efforts to crowdsource solutions.

Ensure the right rituals are practiced: These, too, should be designed.

> For example, Ritz Carlton holds a Daily Line-Up, a mandatory standing meeting that includes all staff and takes place at the beginning of each shift at every Ritz Carlton property, including headquarters. UPS begins each shift everywhere in the world with a "PWC" – a three-minute Pre-Work Communications meeting. Both companies consider these rituals critical to fostering and perpetuating their cultures.

> Proctor & Gamble has a decades-long ritual of communicating ideas clearly and concisely in a One Page Memo. Amazon's leaders begin meetings reading six-page memos in silence, in what founder and CEO Jeff Bezos calls "a kind of study hall." This ensures that "everyone is on the same page, literally."

Key skills:
Data analytics, qualitative research, leadership coaching, collaboration, design.

KPIs:
Gap analysis

CULTURE

3. PACESETTER

Use culture to systematically change how company works.

- Set people mgmt. criteria
- Address policies/practices
- Evolve workplace
- Infuse automation and intelligence into system
- Use culture to play offense

2. PATHFINDER

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Building on *communicating* culture and instilling the desired *behavior*, this level is aimed at reinforcing or changing *how the company actually works*. You move from orchestrating interventions – removing roadblocks, designing rituals, running workshops – to making culture systematic and pervasive.

Address people management criteria:

Is the company's aspirational culture truly driving criteria for hiring, promotions, compensation, separations? This may sound easy, but it will test leadership's commitment to the desired culture.

> For example, are we going to deny a significant promotion or compensation increase to someone who consistently delivers results, but who does not exemplify our values and behaviors? Does it really matter how a person gets results? Are we going to pass on a job applicant who has gold-plated credentials but who does not seem like a strong "cultural fit"?

> GM's Tony Cervone said, "After we aligned senior leaders around the GM brand and our seven behaviors, we worked with HR to make this the 'fabric' – when we bring people in, interview people, promote people, move them in the company."

Address policies and practices:

There are countless policy decisions that may support or impede your desired culture. Do our policies aid our commitment to diversity and inclusion? Do any of our practices impede our commitment to collaboration and innovation?

> For example, Agile requires shoulder-to-shoulder teamwork; does this run counter to our "flex" and "work-from-home" practices?

> We say we revere the customer. Are our policies and practices regarding pricing, returns and exchanges, last-moment cancellations, requested modifications and changes consistent with our stated values?

Address the work environment:

Collaborate with HR, CIO, Real Estate and other C-Suite colleagues to design the work environment that the desired culture requires, including tools, workspaces and team configurations.

> Work with IT/CIO to ensure that employees have the right tools and applications to work in the prescribed way. For example, teaming requires collaboration tools. Customer-centricity requires customer data, analytics and insights. Innovation may require Agile training, tools and workspaces.

> Continuously sample the workforce, seeking feedback, supported by automation systems (see Brand System at this stage) with our Agile teams quickly responding to what the data say.

Infuse automation and intelligence into the Culture System:

Building on the gap analysis, feedback can be solicited and received continually, internal and external social conversation can be monitored; predictive analytics can identify problems and route issues to the appropriate parts of the company for action.

Use the company's culture to play offense:

Equip, encourage and enable the workforce to become the company's most visible and effective advocates.

> Create communication systems that reveal appropriate inner workings of the company – i.e., strong culture traits – to those you wish to hire and to key stakeholders. This can be simple: making areas of the company's social platforms accessible outside the company. Just doing this conveys a level of confidence and trust that can be powerful arguments for the enterprise.

> Use avenues you have created for employee participation to generate business solutions. Alibaba's "Aliway" is an example of communication used to create a problem-solving platform.

> Use the Page Model – from belief to action to confidence to advocacy – as a journey map to teach employees to become not just examples of but effective advocates for the company's brand and culture.

Key skills:

Behavioral science (both for individuals and for networks), brand management, business intelligence/acumen, facilitation, design thinking.

KPIs:

Leading real-time indicators (e.g., first-time quality, customer survey data, workplace injuries, retention, cost reduction, productivity, innovation, etc.)

ENTERPRISE SOCIETAL VALUE CREATION

1. PROFESSIONAL

Define, communicate societal value creation

- Define corporate purpose to include societal value
- Analyze corporate impact and sustainability
- Consider corporate activism
- Shape the societal value story and communicate it to all stakeholders

KPIs:
- Stakeholder support for the company's ocietal value commitment.

2. PATHFINDER

Societal value is priority business commitment.

- Ensure core business commitment
- Set ESG/sustainability goals
- Create management system for corporate policies and corporate activism

KPIs:
- Measure societal value brand attributes by stakeholder, relative to competition.

3. PACESETTER

Societal value is part of the fabric of the business

- Make societal value a permanent part of corporate strategy cycles
- Manage ESG/sustainability programs to deliver results
- Proactively anticipate social activism issues
- Engage stakeholders around societal value across company's ecosystem

KPIs:
- Qualitative and quantitative non-financial reporting against ESG goals.

ENTERPRISE SOCIETAL VALUE

1. PROFESSIONAL

Define, communicate societal value creation

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The initial focus is on defining and establishing C-Suite agreement on all forms of societal value creation:

- The core business products and services;
- ESG or sustainability policies and programs;
- Choices about corporate activism or advocacy.

These should form a recognizable and comprehensive approach to societal value creation that can be communicated to all stakeholders across the enterprise.

Define corporate purpose to include societal value:

A corporate purpose statement should answer the questions: Why do we exist and what value do we create? There is an opportunity to think broadly about value created, not just for customers, partners, employees and shareholders, but also for society at large. Societal value can come not only from ESG initiatives, employee volunteerism, donations, matching grants, etc., but also and most importantly from the company's core business products and services.

For example, Philips has redefined itself as a health technology company focused on improving people's health and enabling better outcomes across the health continuum. "At Philips, we strive to make the world healthier and more sustainable through innovation. Our goal is to improve the lives of 3 billion people a year by 2030."[21]

[21] "Philips Mission, Vision & Values," shared by Comparably, https://www.comparably.com/companies/philips/mission

Analyze corporate impact and sustainability:

Answer the question: How do our business policies and operations impact the environment, natural resources, communities, diversity, privacy, human rights (e.g., through our supply chain) or anything that could enable the enterprise to sustain its long-term value creation? Then determine where policies should be adjusted or where programs can be created, both to mitigate negative effects on society and to accelerate positive ones.

> For example, AB InBev recognized that the use of fresh water in beer brewing can impact its availability. The company made the commitment that: "By 2025, 100% of our communities in high-stress areas will have measurably improved water availability and quality."

> Another example: IBM's commitment to help prepare people for "new collar jobs" that increasingly will be in demand as more and more companies go digital. These jobs often don't require a four-year college degree.

Consider corporate activism:

Be prepared to respond in the event that employees or other stakeholders expect or demand that the company takes stands on social or policy issues beyond corporate interests in regulatory and economic policy.

Integrate with corporate brand and culture:

Incorporate societal value creation attributes into the brand definition and attributes; and ensure that employees understand the company's commitment to societal value and the ways they can contribute to it (e.g., through volunteerism programs).

Shape the societal value story and communicate it to all stakeholders:

Build your societal value and sustainability story, supported by solid data, and tell it in a targeted way (earned, owned, shared and paid) to key constituencies, including investors and employees.

> Report on the company's policies, practices and track record – e.g., tweeting "We recycle ## tons of plastic annually" and "We have increased women representation on our executive team by ## in the past five years."

> For example, an enterprise commitment to education might include investments in curriculum development, scholarships, paid and earned media promotion of activities and employee volunteerism.

KPIs:

Exposure and reach to internal and external stakeholders and support for the company's societal value commitment.

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KPIs:

- Measure societal value brand attributes by stakeholder, relative to competition.

The goal at this stage is to ensure that the enterprise's societal value commitment goes beyond words, that it translates into measurable, high-impact actions. This may require changes to the company's products, services and policies.

Ensure core business commitment:

A societal value strategy will not be authentic if the core business products and services are inconsistent with its promise. Business leaders must be engaged to examine products and services and employees must be focused on delivering societal value through all their touchpoints. This can happen as a C-Suite initiative, or a task force or council, or through broader outreach to the workforce (e.g., focus groups, jams, surveys).

For example, the Philips commitment is expressed through a product-by-product description of the societal value created by each.

Set and report ESG/sustainability goals:

To satisfy ratings agencies, these programs will have quantified goals and timelines for progress. In addition, the company will have a management system to meet the SASB reporting standards for your industry or set by your industry trade associations. Communications will assist in reporting these results, ensuring that those reports – whether separate or as part of the company's Annual Report – are consistent with overall brand and strategy messaging.

Create a management system for corporate policies and corporate activism:

A formal process at the C-Suite level is needed to examine all corporate policies, including governance, environmental and societal, to determine how they contribute to the enterprise's societal and sustainability goals. The CCO will not "own" this but can and should catalyze it with his/her peers.

As part of this, actively manage company activism. Anticipate issues and decide through this formal policy process whether, where and when to take positions and/or speak out on political or societal issues.

Southwest Airlines has developed an issue rating system that captures input from various stakeholders on the risks and benefits of engaging on a particular issue. The resulting score – red, yellow or green – indicates whether or not to take action.

Not every company will want to take these kinds of proactive public stands and those that do will want to choose their issues carefully, through a process that considers corporate brand, policy interests and stakeholder concerns, with all important internal decisionmakers included. Where appropriate, include employees and expert groups in the decision-making process.

Pierre Goad formerly of HSBC said, "What is new is transparency – the demand to know not only what a company's position is, but how it was developed. Investors are absolutely demanding to know how companies make decisions and how they operate."

KPIs:

Measure stakeholder engagement, support and advocacy, relative to competition. Report publicly on performance against goals for ESG programs, and on the company's ranking on sustainability indices like MSCI and DJSI.

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KPIs:
- Qualitative and quantitative non-financial reporting against ESG goals.

At this level, societal value creation becomes an integral part of the fabric of the business – including the shaping of product and service offerings and business models – and also involves effecting change in society at large, beyond the walls of the company.

To do this work, the CCO typically will work with the Leaders of Strategy, Business Operations, Government Affairs, Finance, Human Resources and the General Counsel. As Hans Koeleman of KPN said, "CSR here is not a department. It is the totality of everything the company does with society."

Make Societal Value a permanent part of corporate strategy cycles:

In the strategy and budgeting cycle for all business units and functions, determine how each unit's plan contributes to the Societal Value goals, including through product and service offerings and key processes.

Manage ESG/sustainability programs to deliver results:

Set specific targets for ESG and sustainability programs, measuring progress and upgrading them constantly in order to make a real-time and real-life impact on the world. Work proactively with investors to understand their expectations regarding societal value.

Anticipate societal activism and proactively manage issues:

Lead the creation of a C-Suite-level management system to set basic policy on this and to manage responses to demands and opportunities in a principled, on-brand, authentic way through business and societal change. Determine whether and where the company should advocate for societal reforms or policies beyond its corporate interests in regulatory and economic policy, and establish programs to enact those reforms.

> Regularly assess corporate policies to ensure they are consistent with the company's purpose, ESG programs and corporate positions on societal policy.

Engage stakeholders across the company's ecosystem around societal value:

This includes partnerships, both to advance the societal value proposition and to win corporate brand advocates.

> For example, AB InBev partners with governments and NGOs: "Together with local authorities, other water users, and partners such as the World Wide Fund for Nature (WWF) and The Nature Conservancy (TNC), we continue to invest financial and technical resources into green infrastructure initiatives, conservation and reforestation projects, habitat restoration efforts, and improved water infrastructure."

> IBM, working with the NYC Department of Education and City University of NY created Pathways in Technology Early College High School (P-TECH), a pioneering model of 9-14th grade education including a cost-free Associates Degree. The system has now spread to nearly 200 schools across the U.S. and around the world, preparing the next generation of previously underserved students for the "new collar" jobs of the future.

KPIs:

Measure key experiences by stakeholder based on societal value brand attributes (i.e., gap analysis) and competition; measuring employee engagement, commitment and pride based on societal value proposition. Qualitative and quantitative non-financial reporting of progress against ESG goals with rigor and controls.

The Future Communications Profession

When we published *The Authentic Enterprise* twelve years ago, the landscape was primarily one of opportunity. New skills and a new self-definition were required of the CCO and the profession, but the visible driver was the possibility of more rapid growth for our organizations. The challenge did not yet appear to be existential, and the actions we laid out were largely those of definition and strategy.

When we published *Building Belief* and *The New CCO*, in the aftermath of the Great Recession, the skies were darker. Still, the threats appeared to be familiar competitive ones – the challenge of new marketplace competitors within an economy that had dodged the bullet and whose trajectory was still one of long-term growth. The actions we proposed, captured in the Page Model, took the broad principles of *Authentic Enterprise* and translated them into tactics for reinventing the Communications function.

Today, the stakes are higher. The landscape increasingly appears to be as much one of threat as of opportunity. And while the macro trends of human society are still very positive, companies do face an existential challenge to transform. The Internet, social media, data and AI are radically opening the field of play to players and forces beyond established institutions and enterprises. They are changing the way work is done, the way enterprises operate and the way business and societal ecosystems engage.

At the same time, every business, institution and industry is confronting the socio-economic and political aftermath of the Great Recession, including the rise of populist reaction against global integration and increasingly activist employees and other stakeholders. This new landscape does not yet have enforceable norms and rules, and that means there is a real chance that we will go through a period in which chaos is more the rule than it has been in generations.

This doesn't mean that the long-term trajectories of progress will disappear. This may be a period of creative destruction on a massive, global, societal scale, that dawns a healthier, safer, more prosperous, sustainable, empowering and democratic world. But it still presents both existential threats and new leadership opportunities to today's enterprises and institutions – even to those that have been the chief disruptors over the past couple of decades (the platform giants) and to those that seem to be the next generation of disruptors (the AI powers-in-utero).

The world's leaders are about to contemplate this reality, both its dangers and its promise. It means that enterprises, institutions and the leaders responsible for them must now become responsible for something more. They can no longer sprint simply to become winners in a new game; they must work to keep a manageable game alive. They must think and act fast to create new rules and norms for a fundamentally different reality. They aren't just competing with rational actors bent on defeating them in order to capture new wealth. They're competing with the darker side of human nature, which is being freed from its bonds. In a time of waning trust in all institutions, the opportunity before business is to rise to a new level of societal leadership.

This also, therefore, requires new things of our profession – new ways to build authenticity, corporate character and trust and to turn them into lived reality. As former GE CCO and Page Chair Gary Sheffer puts it, "The new reality requires a strong sense of self and a willingness to make a decision that may be detrimental to your financial performance. Business character is being judged by a wider range of stakeholders on a wider range of issues than ever before, and all of this is happening in full view. This is new, and this is where the CCO must take the point."

We know the path to get there. And the good news is that the members of Page have already started.

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THE CCO AS PACESETTER:

What It Means, Why It Matters, How to Get There

2019 Page Research Report

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