BUILDING BELIEF:
A NEW MODEL
FOR ACTIVATING
CORPORATE CHARACTER
& AUTHENTIC ADVOCACY

VISION

The Arthur W. Page Society is committed to the belief that public relations as a function of executive management is central to the success of the corporation. The membership of the Page Society will embrace those individuals who epitomize the highest standards of public relations practice, as exemplified by the Page Principles.

MISSION

To strengthen the leadership role of the chief communications officer by providing a dynamic learning environment, by embracing the highest professional standards, and by advancing the way communications is understood, practiced and taught.

FOREWORD

The Arthur W. Page Society and its members have devoted much energy in recent years to understanding how our profession and the role of chief communications officer are evolving in a rapidly changing world. The publication of *Building Belief: A New Model for Activating Corporate Character and Authentic Advocacy* marks an important new stage in that journey.

It marks a shift from theory to practice.

The past five years have been a period of intellectual ferment in the Page Society, as we have sought to comprehend and respond to major shifts in global economics, society and the way humans communicate. *The Authentic Enterprise*, produced in 2007, and *The Dynamics of Public Trust in Business* in 2009 are examples of work that reflected the emergent thinking of leading Page members.

Now the time has come to turn thinking into transformational practice across our profession. Our "new model" of corporate communications offers a hypothesis and a set of proposals about what CCOs can concretely do to seize the historic opportunity before us.

Building Belief draws on the practices of some of the best corporate communications functions in business, as well as extensive research and scholarship. It was refined with help and input from many Page members throughout 2011. We expect it to drive a great deal of what the Society does over the next several years.

What this new model does not do is abandon the fundamental tenets on which the Arthur W. Page Society was founded. The Page Principles are enduring. I have no doubt that they will be as relevant to chief communications officers decades from now as they were when Arthur Page led communications for AT&T.

But Page would scarcely recognize the environment in which his Principles are applied today. Certainly technology – from iPads and smart phones to social networking and the Internet itself – would be alien. More important, Page would not recognize the dynamics of how people get information, learn, formulate opinion, organize for action, and ultimately make decisions.

We believe this new model, and the concrete steps it proposes for implementation, fills in many of those gaps. And as I begin my tenure as Chairman of the Arthur W. Page Society, I am confident that our remarkable membership will continue to evolve and improve upon it for many years to come.

Jon C. Iwata, Chairman
Arthur W. Page Society

ARTHUR W. PAGE SOCIETY

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EXECUTIVE SUMMARY

In this monograph, the Arthur W. Page Society proposes a point of view on the future of enterprise communications. We offer it not as a finished construct, but a hypothesis—intended to spark further research, exploration and refinement.

Our thinking has been shaped by the Society's research over the past five years, beginning with its 2007 publication, *The Authentic Enterprise*. The long-term goal of this new model is to offer practical guidance to chief communication officers—as well as other leaders responsible for communications, including chief marketing officers and chief human resources officers—in helping their organizations succeed in a radically different 21st century environment.

The Model

Building Belief describes two important new dimensions of the CCO's role, each of which is grounded in the creation of shared belief:

1. **The definition and activation of corporate character.** Corporate character refers to the enterprise's unique identity, its differentiating purpose, mission and values. Management of corporate character involves *the integration of the organization's reputation and culture*. In an age of unprecedented transparency, "*how* we are is *who* we are," as one CCO interviewed for this study describes it.

The CCO has two responsibilities in managing corporate character: definition and activation.

Corporate character may be defined by history – imprinted by the founder of the enterprise, shaped and refined by decades of corporate life. It may also be recast by current management and employees in response to new realities, such as a long-term change in corporate strategy, a merger or spin-off or a significant crisis. In any case, the definition is foundational to the enterprise. It must include the enterprise's enduring purpose – what it exists uniquely to do in the world – as well as the values and principles that guide the daily decisions and behavior of everyone associated with it.

Activation is the never-ending work of ensuring that the enterprise behaves in a manner consistent with its stated character. The New Model proposes a framework for determining whether the company *looks like, sounds like, thinks like and performs like* its stated character. This framework has implications for new ways in which the CCO should collaborate with his or her C-suite peers – since dimensions of this construct necessarily involve management responsibilities outside the domain of the CCO as it has traditionally been defined.

2. **The building of advocacy at scale.** Never have word-of-mouth and peer-to-peer influence been more ubiquitous or powerful. Billions of individuals now have the means to share their experiences, opinions and ideas – and to organize for action – at scale. They are revealing and generating unprecedented amounts of data about themselves. This has profound implications for CCOs and their functions. They must become adept at extracting actionable insights from what some are calling the "Big Data" era. But arguably the importance of this phenomenon has less to do with social networks and other technologies than with how and why individuals advocate. Simply put, they are motivated to do so when they have genuinely realized the value of their *decision* to buy from, work for, invest in or otherwise decide in favor of the enterprise. (The converse is also true.)

Therefore, this aspect of the New Model differs from prevailing communications models in at least two important respects. First, it is aimed at how an enterprise engages *individuals*, in addition to audiences, publics or segments of populations. Second, its goal is not merely to shape the opinion, sentiment and perception of those individuals, but to spur them to action, continuing behavior and *advocacy*.

Unlocking the power of advocacy at scale requires an understanding of how people make decisions. The New Model draws on insights from the fields of behavioral and cognitive science. They suggest a pattern for the creation of authentic advocacy.

This pattern begins with the building of **shared belief** with decision-makers – customers, investors, employees, citizens. This is different from raising awareness or delivering information.

That belief leads these constituents to **act** – to make a purchase, accept a job, invest their money, support a policy, etc.

Those actions, when successful, give people **confidence** in the decisions they have made, and turn actions into ongoing behaviors.

When those behaviors strengthen someone's feelings of agency and purpose, this can generate self-motivated **advocacy** – fueling a virtuous cycle, as these advocates build shared belief among new decision-makers.

Implications for the CCO

The work described in Building Belief expands the roles of organizational communications. The CCO must now be:

- **An integrator** – working across the C-suite to make the company "think like" and "perform like" its corporate character.

- **A systems designer** – not only systems of marketing and communications, but of how these relate to the company's operations and management systems.

- **A master of data analytics** – to understand customers, employees, investors, citizens and other stakeholders as individuals rather than publics, audiences and segments of populations.

- **A publisher and developer** – the same tools of information production that are in the hands of the masses are also available to the CCO, who can directly inform, empower and equip targeted individuals.

- **A student of behavioral science** – to inform the shaping of belief, action, behavior and advocacy.

- **A curator of corporate character** – to ensure that the company's communications and its people remain true to their core identity.

Getting Started

To provide leadership in defining and activating corporate character, the CCO should:

1. Initiate	2. Apply	3. Partner	4. Examine
Initiate a cross-C-suite effort to **define or reaffirm the enterprise's corporate character—** ensuring the corporate character includes the enterprise's unique, enduring and differentiating purpose, mission and values.	Apply the **"Looks Like" framework** to assess whether the organization consistently enacts and expresses its corporate character.	Partner with appropriate leaders in the enterprise to **systematically address gaps and deepen strengths.**	**Examine measurement and listening instruments** and revise or augment as needed to provide ongoing feedback and sensing.

To assert leadership in building advocacy at scale, the CCO should:

1. Assess	2. Build	3. Establish	4. Engage
Assess communications strategy and programs against the authentic advocacy aspect of the model.	**Build expertise and capabilities in data analytics** into communications planning and programs.	Establish the capacity to create **"owned media"**— information, knowledge, apps, etc.—and to distribute this content directly to targeted individuals through modern channels, including social networks and smart devices.	Engage the C-suite in establishing progressive **social business policies, programs and management systems.**
• Ensure that programs are aimed at individuals, as well as publics and segments of populations.	• Work with the chief information officer (CIO) to put into place the necessary tools and infrastructure to capture and accurately interpret enterprise and social data.	• Leverage data to personalize and tailor communications and engagement to enhance relevance.	
• Ensure the programs are aimed at spurring them to act and to advocate, in addition to shaping their perceptions and opinions.	• Use data to detect trends and sentiment and to understand stakeholders as unique individuals.		

We believe that this new model represents a contemporizing of Arthur W. Page's foundational tenets on public relations. That should not be surprising. The Page Philosophy and Page Principles (see p. 42) hold renewed relevance in a world of newly empowered customers, investors, employees and a general public that demands authenticity of businesses and institutions as a prerequisite for establishing and maintaining a relationship with them.

INTRODUCTION: WHY A NEW MODEL?

Models matter. Whether or not we consciously invoke them, they influence and guide our daily work.

Whenever marketers set out to raise "awareness" in a product launch, they are invoking the first step of the "Purchase Funnel," developed by E. St. Elmo Lewis in 1898.[1] This model illustrates the theoretical client journey towards the purchase of a product or service. It is based on the elements of awareness, interest, desire and action (AIDA). It assumes the primacy of mass communications, one-way flow and purchase as the ultimate goal.

When communicators manage a crisis, an acquisition or a divestiture and seek to "influence the influencers," they validate the theory of propaganda created in 1928 by public relations pioneer Edward L. Bernays.[2] This theory tapped into the tenets of crowd psychology and psychoanalysis (Sigmund Freud was his uncle) to design public persuasion campaigns. It was based on the premise that "only through the active energy of the intelligent few can the public at large become aware of and act upon new ideas."

When marketers or communicators segment an audience and create key messages and value propositions for each segment, they are observing the precepts of brand management, pioneered in 1931 by Neil McElroy, former president of Procter & Gamble.[3] A memo he wrote is said to have introduced the notion that populations can be segmented by income, gender, age and the like, and that value propositions for different brands can be separately and specifically targeted to those segments. It assumed that the corporation behind the product or service can remain nearly invisible.

These principles are still valid and useful. But they are increasingly inadequate for the world in which we work today. No longer are mass, one-way communications the only way to reach people – or, in many instances, the most effective. No longer do an influential few, such as those "who buy ink by the barrel," control the world's communications channels. No longer can messages to one audience be walled off from those intended for others. Purchase may no longer be a sufficient outcome, even for a sales communication. And a parent corporation or institution cannot remain invisible behind its consumer brands or spokespeople.

> "Appropriate behavior in the public interest underlies every successful public relations initiative. This means that the public relations 'process' starts with behavior."
> **–Harold Burson**

1 E. St. Elmo Lewis, Financial Advertising, *Levey Bros. & Co., 1908* **2** Edward L. Bernays, Propaganda, *1928* **3** Drew Boyd, "Brand Man," Innovation in Practice, *June 14, 2010*

Harold Burson has defined public relations as the combination of social science and communications. Both of these are changing in historic ways in our time.[4] Digital technology has forever changed the way people and organizations communicate. Behavioral and cognitive science have opened a window into why and how people actually perceive the world and themselves and ultimately make decisions.

When change is this fundamental, tweaking old frameworks is no longer sufficient. It is time for a new model.

At stake is not just the efficacy of our work, but the success and even survival of our enterprises and institutions. The digital revolution has brought transparency to every move and action of our companies. It has empowered the world – and every individual – to demand authenticity: The product and service performs as advertised; the employer treats me as expected; management's behavior is consistent with the company's stated values.

It is no longer sufficient to manage reputations and brands – our external personas – separately from our workforces and cultures. They need to be managed as one. And to do that, we need to define and activate our corporate character. This is not the way enterprise communications are typically described or defined today.

It was this gap between accepted theory and changing practice in public relations that led the Arthur W. Page Society in 2006 to undertake a series of studies aimed at understanding the transformation of the public relations profession and the role of the chief communications officer (CCO). This initiative has thus far generated two major reports:

- 2007 – *The Authentic Enterprise.* The Page Society's seminal white paper, based on research among member organizations and with CEOs of leading corporations, described the forces reshaping modern communications

and proposed a set of principles to guide CCOs toward success in this new world.[5]

- 2009 – *The Dynamics of Public Trust in Business – Emerging Opportunities for Leaders.* This collaboration with the Business Roundtable Institute for Corporate Ethics issued a call to action "to overcome the present crisis of trust in business."[6]

In addition, the Page Society has sponsored two Social Media Summits to brainstorm new approaches to crucial challenges that face organizations in the era of social media. These summits emphasized the importance of building management systems that move beyond *social technologies* to the creation of *social business.* The Page Society will be creating and publishing a point of view on social business in the coming year. (See Appendix 1 for a summary of *The Authentic Enterprise,* the Trust Report and the output of the Social Media Summits.)

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Taken together, these efforts have fleshed out a perspective on how technology, globalization and societal change are altering the theory and practice of enterprise communications and the job of the CCO. We have described how all dimensions of an organization's actions and existence have become radically transparent, subjecting it to more consequential judgment by increasingly empowered stakeholders and by society at large.

Further, we have described a shift in the subject and time horizon of organizational communications. Although most of the attention given to

4 *Harold Burson, "A 'Modern' Definition of Public Relations? Why?" Harold Burson's Blog, Burson-Marsteller, March 5, 2010* **5** The Authentic Enterprise: An Arthur W. Page Society Report, *Arthur W. Page Society, 2007* **6** The Dynamics of Public Trust in Business—Emerging Opportunities for Leaders, *Business Roundtable Institute for Corporate Ethics and Arthur W. Page Society, 2009*

The Authentic Enterprise rightly focused on the adjective in its title, the noun was equally important – not "message" or "communication" or "image," but "enterprise."

In a world where the speaker is now as visible as the speech, and where the organization is held responsible not only for the truth of its message, but also the totality of its behavior, the CCO's responsibility has broadened. It must now include not only the way the company is perceived, but also how it actually behaves – and continues to behave over the long term. That cannot be shaped by something ad hoc or short-term, such as a message, campaign or image.

The object of our work is not the management of a situation, but of an institution. In order to have a great and lasting reputation or brand, it is necessary – now more than ever – to be a great and lasting company. And the CCO must be its steward and the curator of its essence – its corporate character.

One important point: This is not about "creating authenticity" through communications. The notion itself verges on oxymoron. What we are describing, rather, is how any organization can (and increasingly must) come to understand and activate the value it distinctively creates, its reason for being, its real identity. It must hold everything it does up to the light of that character – and if necessary, reinvent itself in any or all of those dimensions. This compels the CCO to go beyond the development of messages, positioning, even policy – and to become actively engaged in the day-to-day management of the enterprise.

The Authentic Enterprise argued that CCOs are uniquely positioned to lead this work, but it did not say how. Both it and the Trust Report were concerned primarily with laying out the broad changes and their equally broad implications. And although the Social Media Summits began

to identify concrete steps to becoming a social business, their scope was necessarily limited.

This monograph represents a further and more comprehensive attempt to codify the implications for action of (1) the four CCO imperatives identified in *The Authentic Enterprise*; (2) the principles of trust, identified in the Trust Report; and (3) the foundations of a social business.

What we are describing is how any organization can (and increasingly must) come to understand and activate the value it distinctively creates, its reason for being, its real identity.

We offer a working hypothesis on how to enhance and activate sustainable organizational authenticity, with the primary goal of providing pragmatic guidance for chief communication officers. Beyond that, we believe it can also be of use to all who share in the responsibility for enterprise communications – including chief marketing officers and chief human resources officers. And we think the lessons here apply more deeply still – with value for the CEO in shaping how the organization achieves competitive advantage, brand loyalty and a capacity for continual innovation and self-renewal.

Specifically, we identify and develop two key dimensions of organizational authenticity, each of which is grounded in the creation of shared belief:

1. **The definition and activation of corporate character.**
2. **The building of advocacy at scale.**

THE NEW COMMUNICATIONS LANDSCAPE

The proliferation of digital devices and tools connected by the global Internet has put the means of information production into the hands of everyone—and even every thing.

Consider:

- Approximately two billion people are now connected on the Internet. This number is growing rapidly in every part of the world, driven by the explosion of mobile technology. In five years, 5.6 billion personal communication devices have been sold. By 2015, 80 percent of the global population will have a personal mobile device.[7] Each of those devices is not simply a receiver, but a potentially global transmitter. This has contributed to the already exponential growth of social technology.

- Upwards of a trillion interconnected and intelligent objects and organisms make up what some call the Internet of Things. There are a billion transistors today for every human being on the planet. Intelligence is now embedded in the systems that enable services to be delivered, physical goods to be made and sold, everything from people and freight to oil, water and electrons to move and billions of people to work and live.

- All of this is generating vast stores of information. A Sunday edition of the *New York Times* contains more information than the average 19th-century citizen accessed in an entire lifetime.[8] We send 2.9 million emails every second, upload 20 hours of video to YouTube every minute, send 50 million Tweets a day, and spend 700 billion minutes on Facebook every month. Households consume 375 megabytes of data every day.[9] It is estimated that there will be 44 times as much data generated over the next decade, reaching 35 zettabytes in 2020.[10] A zettabyte is a 1 followed by 21 zeros.

- Thanks to advanced computation and analytics, we can now make sense of that data in something like real time – not only the information contained in structured databases, but also the unstructured data that constitutes 80 percent of the world's information. It includes medical images, streaming video, conversations, smartphone photographs, sensor-captured flows and more. Our capacity to make sense of this vast new natural resource enables very different kinds of insight, foresight and decision-making.

> **"Digital cuts across everything. *Everyone has to be a bit of a technologist. Every company is a media company—a publisher and broadcaster.*"**
> **—Jolie Hunt, Thomson Reuters**

7 *"The Challenges of the Digital World," DigiWorld Yearbook 2011, IDATE DigiWorld Programme, 2011* **8** *William Van Winkle, "Information Overload,"* Computer Bits, *February 1998* **9** *"The World of Data We're Creating on the Internet,"* GOOD Magazine *and IBM Corporation, October 11, 2010* **10** *Dylan Tweney, "Here Comes the Zettabyte Age,"* Wired, *April 30, 2010*

What Does This Mean for Enterprise Communicators?

First, as individuals use these tools to share their experiences, observations, opinions, aspirations and intentions, they are exerting influence in ways never before seen. This was anticipated and described in *The Authentic Enterprise.* But they are also declaring and revealing who they are as unique individuals. This is a new thought. We are moving from mass communications aimed at segments and publics and heavily reliant on intermediaries (the press, analysts, managers, etc.), to engagement with people based on an understanding of them as individuals – as revealed in the data and perspectives they themselves generate, and informed by our improved understanding of behavior and motivation.

Second, organizations – corporations, governments, NGOs and others – also have access to this broader spectrum of tools for information production and distribution. As recently as a decade ago, the communications landscape was divided between "paid media" (e.g., advertising, sponsorships) and "earned media" (e.g., press coverage, word-of-mouth). Marketing addressed the former, Communications the latter.

Today, those categories have been joined by "owned media," sometimes referred to as "content marketing." This includes corporate websites, blogs, Twitter accounts, apps for smart devices and bespoke publications, conferences and research reports. These communications often aim not to promote a particular product or brand, but rather to provide key constituencies and the world at large with useful knowledge, how-tos and resources. The Merck Manuals and Michelin's hotel and restaurant guides were early examples. Today, Apple's Genius Bar, which aims not to sell to new customers, but to educate and empower existing ones, performs an analogous function.

This landscape is evolving rapidly. One aspect of that change is well known: the decline of traditional media and the concomitant rise in social media. U.S. newspaper circulation is at its lowest level since 1941. Between 2008 and mid-2010, 166 U.S. newspapers closed down or stopped printing.[11] Estimated revenues of $20.7 billion in 2011 will be the lowest annual amount spent on newspaper advertising since $19.5 billion in 1951.[12] With declining revenues and readership, newspapers are increasingly forced to rethink their distribution models.[13] At the same time, social media now accounts for 23 percent of people's time spent online.[14] Amazon.com now sells more e-books than physical books.[15] By 2015, 60 percent of all new televisions will have built-in network connectivity, and 70 percent of those will have an app platform and an app store.[16] Nearly twice as many Netflix subscribers now stream online video directly to their TVs or other devices rather than watch these videos on DVDs.[17]

The same shift is transforming the landscape for advertising. Paid media is now just one element in a broader marketing mix, whose ultimate goal is to engage with, rather than talk at, customers.[18] Because earned media is more highly trusted, earned impressions convert to sales ten times more often than paid impressions.[19] So it's not surprising that marketing budgets have shifted, on average, between 18 and 40 percent per year away from paid and toward earned media.[20] Indeed, overall investment in paid media in 2012 is expected to decrease, with only 4 percent of organizations expecting to increase their investment significantly in paid analog media, and only 8 percent in paid digital media. Conversely, owned and earned media investment is expected to increase by 25 percent over the year.[21]

What will this media landscape look like in five years? A decade from now? Our research and our companies' experience persuade us that, like

11 "SFN Report: More than 166 U.S. newspapers have closed or stopped printing since '08," World Association of Newspapers and News Publishers, July 6, 2010
12 Igor Beuker, "US Newspaper Ad Revenues Drop to 60Yrs Low," ViralBlog, February 29, 2012, based on data provided by the Newspaper Association of America
13 Russell Adams, "Papers Put Faith in Paywalls," The Wall Street Journal, March 4, 2012   **14** "State of the Media: The Social Media Report, Q3 2011," The Nielsen Company September 2011   **15** "Amazon.com Now Selling More Kindle Books Than Print Books," Amazon.com, Inc., May 19, 2011   **16** Janko Roettgers, "TV Apps to Bring in $1.9B by 2015," GigaOm, May 17, 2010   **17** Erick Schonfeld, "Netflix Streaming Margins Are 11 Percent, DVD Margins Are 52 Percent," TechCrunch, January 25, 2012
18 "Earned Media, Owned Media, and the New Marketing Mix," Cision, Inc., January 2012   **19** FireClick Index, Zuberance Customer Data, 2011   **20** "Paid vs Earned Media" presentation, April 19, 2011, http://www.slideshare.net/zuberance/zuberance-paid-vs-earned-media   **21** Society of Digital Agencies (SoDA), "Q1 2012 Digital Marketing Outlook" conducted by Econsultancy, Feb 20, 2012

"We have to be open to the many voices we can hear now. It gives us better understanding of societal expectations."
–Julie Hamp, formerly with PepsiCo

most revolutions in technology and communications, the new media will not eliminate the old – but they will repurpose them. The traditional forms of paid and earned media are not going away, but their scope is broadening, and their relationship is changing.

There are a number of important implications for the CCO.

- Increasingly, the primary goal of paid and owned media will be to generate earned media – not what we say about ourselves, but what others say about us.

- Enterprises can and should use their new publishing capacity to reach, serve and engage with individuals, as described above and in a manner consistent with authentic advocacy.

- Enterprises also must acquire the skills and technology of data analytics, in order to capture the vital knowledge contained in the "big data" that is generated by their markets, societies and industries. Enterprises that take advantage of this deeper and more personalized data and insight will have significant competitive advantage over those that do not.

- As a company's culture becomes increasingly visible, the behavior, values and expertise of its people will become central to how the company is perceived by all its publics – and will determine their decisions whether or not to affiliate themselves with it. Among other things, the company's people must be empowered, equipped and enabled to be public experts.

- All of this must be deliberately managed.

These implications require much more than alertness to social media "buzz," adoption of the practices of "conversation" and "listening," recognition that "the customer owns your brand" or learning to "co-create." Leading enterprises know this.

According to one study of 200 companies, 44 percent now use crowdsourcing, asking customers to provide ideas and help in decision making on how to tackle issues, and 95 percent of those found crowdsourcing valuable to their company. [22]

A McKinsey Quarterly study of 1,700 global executives recently found that 69 percent of companies reported measurable business results in using social media to improve value creation within the enterprise and in how they work with customers and outside partners. They reported median gains of between 10 and 30 percent in reducing cost and cycle times, and increasing marketing and sales effectiveness.[23]

However, the McKinsey study indicated unequal outcomes in terms of how the benefits are realized. Eighty percent of the gains were reaped by 20 percent of the companies surveyed. Similarly, in a 2011 study, only 18 of 144 companies surveyed by Altimeter Group were rated "advanced" on four internal criteria for a successful social business strategy: baseline governance and reinforcement; enterprise-wide response processes; ongoing education and best practice sharing; and leadership from a dedicated and shared central hub.[24]

The difference is active management. It's not just about putting up websites, optimizing for paid search, posting videos on YouTube – or even

22 *"Crowdsourcing and Social Media in CSR: A Survey of Business Executives," KRC Research, October 2010* **23** *"How Companies Are Benefiting from Web 2.0," McKinsey Quarterly Global Survey, September 2009* **24** *Jeremiah Owyang, "Social Business Readiness: How Advanced Companies Prepare Internally," Altimeter, 2011*

pushing people to blog or join Facebook, LinkedIn and Twitter. For an analogy, think back to the late 1990s, when mainstream business first embraced the Internet. Companies flooded the Net with content – hoping that people would find information about us, our products and services. Today, as social business takes hold, we are starting to see companies flood the Net with their people, hoping they will be found.
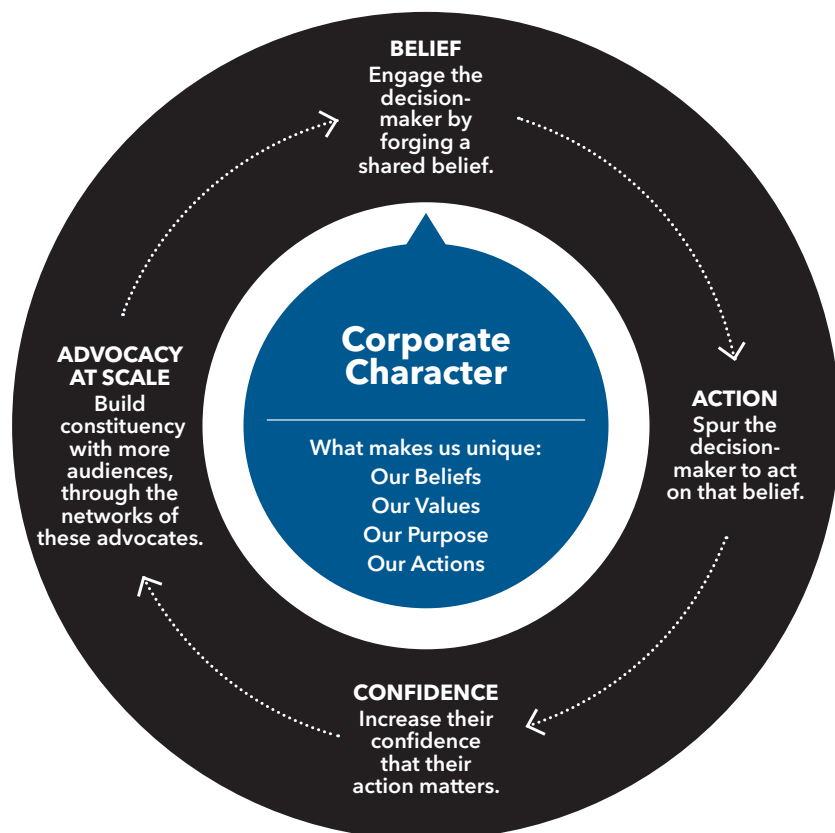
But what then? What do those people say and do, once they are found? Credibility, trust and authority will only be conferred on those who are actually expert at what they do, and who share that expertise in helpful ways. This, in turn, suggests new and important collaboration for the CCO with the CHRO, the CIO, the CMO and beyond. This cross-enterprise management approach is needed for systems to expose, share and deepen employees' expertise. Such expertise must be developed in the organization's core domains, in the tools and culture of social media, and in something they already are experts in – the company itself.

Research proves that an enterprise's employees are by far its most credible representatives. So the most direct and practical strategy for building belief, action and advocacy in the world at large is to build them inside the company.

This work requires forethought and planning – and that means we will have to innovate our management systems. When billions of people can produce and distribute information globally about our companies – and when we ourselves (as well as our competitors) have access to those same capabilities – we cannot rely upon seat-of-the-pants reactions to capture the opportunities and prepare for the risks. We must design our messages and assets to be found via search and shared via social media; automate the identification and deployment of our company's experts; and apply the insights of data analytics to all dimensions of our work.

THE NEW MODEL

Communicators have always been tasked with building the reputation of the enterprise. In the past, we focused on what we told people. Today, reputation is shaped by how people experience our corporate character, and by whether and how others advocate on our behalf. The result is a virtuous cycle in which more and more decision makers participate and advocate for the enterprise.

BELIEF
Engage the decision-maker by forging a shared belief.

ACTION
Spur the decision-maker to act on that belief.

CONFIDENCE
Increase their confidence that their action matters.

ADVOCACY AT SCALE
Build constituency with more audiences, through the networks of these advocates.

Corporate Character

What makes us unique:
Our Beliefs
Our Values
Our Purpose
Our Actions

ESTABLISHING AUTHENTICITY: THE ACTIVATION OF CORPORATE CHARACTER

Every enterprise has some deep-seated characteristics that make it unique, that define its very nature—the things that it can't not be and still be itself. "Corporate character" is not ethics, legal compliance or corporate social responsibility. Rather, we are describing the integration of the organization's reputation and culture.

For these characteristics to be useful in sustaining and differentiating the enterprise, corporate character must be defined and activated. All aspects of an organization's communications, including its building of advocacy at scale, must rest on this foundation. Only then will they create lasting value.

As described in *The Authentic Enterprise*: "Arthur W. Page viewed public relations as the art of developing, understanding and communicating character—both corporate and individual." The paper described this essential character or identity as beginning with a clear definition of a company's distinctive beliefs and values. The Trust Report extended this thought to include the organization's purpose – the value it uniquely creates for its customers, employees and shareholders, and also for the public at large.

Together, this distinctive identity is experienced by all who interact with the enterprise. It is on this basis that any organization or brand is – or isn't – relevant and attractive to any and all of its key stakeholders: its customers, its investors, its employees and society at large. And critically, this distinctive corporate character is what makes the enterprise worthy of trust. Its values must be admirable, and they must be lived consistently by the entire organization.

This is true whether a company is a "house of brands" – such as Procter & Gamble, Johnson & Johnson or Uniliver – or a "branded house" – such as Starbucks, USAA, BMW or IBM – or a hybrid of the two – such as General Electric. Significantly, P&G, Johnson & Johnson and Unilever – "house of brands" icons – have in recent years undertaken examinations of what they stand for. They did so because it is now possible for anyone to see the corporation behind the product brands.

P&G's corporate character is expressed in the animating idea of "touching and improving more lives, in more parts of the world, more completely." The company pursues this as its definition of Purpose-inspired Growth.

"Character is like a tree and reputation like its shadow. The shadow is what we think of it; the tree is the real thing."
–Abraham Lincoln

BMW, for many outside observers, is one of the world's premier high-end car companies – serving the adventuresome driver who values German engineering. But when you look back through BMW's history, a deeper picture emerges, starting with its formation as an aircraft engine manufacturer nearly 100 years ago. Over the decades, the company continually nurtured a passion to anticipate and shape change, rather than respond to it; and to take prudent risk in that pursuit. Significantly, its mission statement includes neither "automobile" nor "driving." As BMW's leaders and employees see it, the company creates "products and services for individual mobility."

At General Electric, GE Works captures the company's character through four pillars – building, curing, powering and moving. These are expressed in stories that connect GE employees to each other and to the benefits they produce for customers and the world. This definition has played out in GE ecomagination and GE healthymagination, where environmental responsibility, revolutionizing access to health care and profitability can go hand in hand. Since its launch, ecomagination has produced $85 billion in revenue and $130 million in energy efficiency savings.

For IBM, the contemporary expression of a brand and culture grounded in the word "Think" and in a century-long commitment to progress is "Building a smarter planet." Unilever's "Sustainable Living" initiative is an expression of its corporate character.

These initiatives are not simply advertising taglines for ephemeral campaigns. Rather, they are expressions of how the company sees the value it uniquely creates for its key constituencies, internal and external. These expressions of corporate character also define how business strategies and operating plans are conceived, and how they deliver societal as well as economic value.

Ultimately, an enterprise's clearly understood character generates trust and motivates employees, customers, communities and citizens to believe in and advocate for the organization.

Arthur W. Page said, "Real success, both for big business and the public, lies in large enterprise conducting itself in the public interest and in such a way that the public will give it sufficient freedom to serve effectively."[25] More recently, Michael Porter has argued in *Harvard Business Review*, "The solution lies in the principle of shared value, which involves creating economic value in a way that also creates value for society by addressing its needs and challenges."[26]

Corporate Character Made Visible

Of course, saying a company stands for a set of values is one thing. But that can be easily challenged or even overturned by what employees, customers or citizens actually experience when they interact with the company. Increasingly, those interactions are visible to everyone, across every dimension of the organization: how it ensures quality in its products and services; how it treats its people; how every part of its supply chain treats employees and the environment; how it supports the goals and needs of local communities, in countries around the world; how transparent it is – or isn't – to investors, regulators or partners.

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Character, by definition, should be resistant to change through changing times, changing business models and changing management systems.

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A company's character is visible in all these ways – and it transcends them all. Products and services come and go. A company's founder or larger-than-life CEO may shape its initial identity, but leaders come and go, too. Character, by definition, should be resistant to change through changing times, changing business models and changing

25 *Remarks made during a 1939 news conference as vice president of AT&T Public Relations*   **26** *Porter, Michael and Kramer, Mark. "Creating Shared Value,"* Harvard Business Review, *January 2011*

> **"Some kinds of value can't be created by markets, only by a set of shared and mutually coordinating assumptions, which is to say by culture."**
>
> **–Clay Shirky, *Cognitive Surplus***

management systems. However, it must be continually revisited and rendered contemporary.

Easy to say – but arguably the most difficult task any organization ever undertakes. It was only through concerted, often painful self-examination that Aetna, General Electric and IBM re-examined and revived their core values, activated their cultures and aligned purpose, business model and strategy. In each case, this involved some form of organizational intervention – some way of interrupting the status quo and engaging in collective self-reflection.

At Aetna, a new CEO and management team executed a major turnaround based on a transformation of mission, values, strategy and operating model: a shift from trying to control actions by doctors and patients to working with them as partners. The CCO led a senior management council with responsibility for culture change. He organized a team of senior leaders from each of the staff and line areas of the business that met regularly for six years, creating and activating both mission and values across the enterprise. The results were large increases in employee engagement and improvements in stakeholder relationships. Today, leaders and managers throughout the organization are still invited to participate in council deliberations on key cultural issues.

At GE, the communications team spent more than a year studying 130 years of GE culture and talking to hundreds of employees around the world to uncover how they perceived and expressed GE's character. Almost unanimously, employees said they came to work every day to solve big problems like the need for cleaner energy or finding cures for cancer and other diseases. Combined with the words of GE's

founder, Thomas Edison ("I find out what the world needs, then I proceed to invent it"), these interviews led to the GE Works "formula." CEO Jeff Immelt continually reminded the leadership team: "I want everything to reflect that we are a mission-based company." This broadly sourced summary of GE's corporate character was used to develop new internal and external engagement programs.

IBM employed a global, online "ValuesJam" in 2003 that included tens of thousands of employees in re-examining the company's core values. The process was contentious and messy, surfacing feelings of hurt and betrayal among long-time employees of a sort not typically aired in corporate forums. But the result was a credible definition of values shaped and endorsed by IBMers themselves. As CEO Sam Palmisano later put it to *Harvard Business Review*, "You had to put your ego aside – not easy for a CEO to do – and realize that this was the best thing that could have happened. You could say, 'Oh my God, I've unleashed this incredible negative energy.' Or you could say, 'Oh my God, I now have this incredible mandate to drive even more change in the company.'" [27]

As difficult as this definitional work is, it is only the beginning. Organizations today are finding that they must then undertake the challenging effort to activate their character rigorously across the enterprise's operations, ensuring that each touchpoint and experience faithfully expresses the company's values and purpose.

In the past, the CCO has lacked a consistent methodology by which to guide this difficult and complex work. Our research suggests a simple frame: Looks like, sounds like, thinks like, performs like.

27 *Samuel J. Palmisano, Paul Hemp and Thomas A. Stewart, "Leading Change When Business is Good: The HBR Interview,"* Harvard Business Review, *December 1, 2004*

What CCOs Can Do

This simple model can apply to any organization, with different specifics for each. Further, these dimensions of corporate character can be seen not just as individual categories, but as a progression, a system.

OWNERSHIP	LOOKS LIKE...	SOUNDS LIKE...	THINKS LIKE...	PERFORMS LIKE...	COLLABORATION
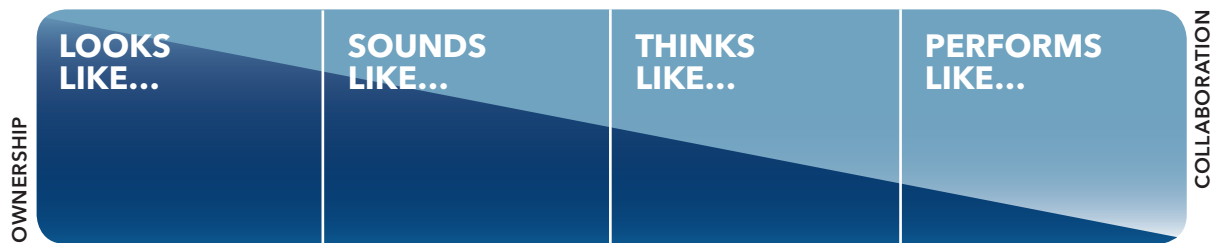
At the left side of this series—the "Looks Like" dimensions of character—most of the elements are owned by Corporate Communications and Marketing. They include things like the design of publications, websites, signage, advertising—in some cases, even the company's products.

As we move to "Sounds Like," many elements and channels are still within our functions' control—from executive speeches, to advertising copy, to other forms of thought leadership. But moving across the spectrum, toward the actual performance of the company, requires deeper degrees of collaboration—with Human Resources, Sales, Customer Service, Product Development and beyond.

This, in turn, suggests an emerging role for the CCO as a catalyst for collaboration across the C-suite. Many of the Page Society members interviewed for this study noted that the activation of corporate character—and, indeed, more and more dimensions of our work today—involve multiple responsibilities that CCOs do not own.

Let's imagine what this might be for one hypothetical organization:

Looks like our organization...
- Is designed appropriately for the situation
- Uses the correct template and fonts
- Uses the company's logo properly
- Is consistent in its graphic and industrial design
- Includes visual elements only when they help people understand the point

Sounds like our organization...
- Provides a clear objective and agenda
- Tells a clear story through the headlines
- Builds the story from a place of common understanding
- Tells you something you didn't already know
- Uses simple, clear, direct language

Thinks like our organization...
- Is concerned with the bigger picture
- Demonstrates clear logic
- Provides the evidence needed to make the case
- Offers insight, not just facts
- Focuses on implications and actions

Performs like our organization...
- Focuses on how you can help the client create value
- Highlights innovative thinking and how it creates impact
- Provides not just information, but assets, tools or capabilities
- Enables and equips the organization's people to perform in new ways

CREATING ADVOCACY AT SCALE:
A MODEL FOR AUTHENTIC ENGAGEMENT

CCOs and CMOs have long appreciated and sought to harness the power of peer-to-peer and word-of-mouth advocacy. But today, this has taken on an entirely different scale and meaning, thanks to the advent of social media. While the "few" will always influence "the many," we are now in a world where the many influence many more. Put another way, we are moving from mass communications to masses of communicators.

The question is, when it comes to our enterprises, what will those people say? Will their influence be positive or negative? Will they ignore, reject or advocate for us?

Authentic advocacy occurs when individuals have genuinely realized the benefits and value of their decision to buy from, work for, invest in or otherwise decide in favor of a company or institution. Unlocking the power of advocacy at scale, therefore, begins with understanding how people make decisions.

Through most of the 20th century, our understanding of the brain and of human psychology was dominated by the discoveries of Sigmund Freud. His insights were revolutionary 100 years ago, but they were in many respects pre-scientific. We now understand the brain far more accurately than before. The right brain/left brain split; the "triune" system of brain stem (aka reptilian brain), limbic system and neocortex (which some

link to the evolutionary journey from lizards to mammals to primates); the building blocks of neurons, dendrites and synapses; the chemicals that enable neural activity (oxytocin, cortisol, serotonin, dopamine, endorphins and adrenaline) – none of these could be observed, much less measured, 100 years ago. Now they can.

Of even more direct applicability to enterprise communications are the discoveries of behavioral science and social psychology, which have challenged the "rational actor" assumptions of neoclassical economics and given rise to the new discipline of behavioral economics. Pioneered by Daniel Kahneman and Amos Tversky in the early 1980s, this burgeoning field has entered the popular consciousness through everything from Malcolm Gladwell and *Freakonomics*, to best-selling texts by Dan Ariely (*Predictably Irrational and The Upside of Irrationality*) and Nobel Prize-winners like Kahneman (in *Thinking*

"Actions are the new words. We have a responsibility to educate the enterprise about how behaviors and actions play in an environment that is ultimately transparent."
—Brad Shaw, Home Depot

Fast and Slow) and George A. Akerlof and Robert J. Shiller (in *Animal Spirits*), among others.

Behavioral and cognitive science hold great potential for improving the practice of marketing and communications. For example, we now understand that our brains operate two "systems" of thinking. System 1 is built on biases, habits and heuristics, or mental shortcuts. This has spawned a whole subgenre, including Malcolm Gladwell's *Blink*, Jonah Lehrer's *How We Decide* and Kevin Maney and Vivek Ranadive's *The Two-Second Advantage*, to cite just a few. System 2, in contrast, is the application of conscious attention and judgment. It is slower, "lazier" and more influenced by logic and evidence.

Humans continually employ System 1 shortcuts – indeed, they constitute the bulk of our decision making. These biases and heuristics are based on the ways in which our brains look for and recognize familiar patterns – which goes back to primitive fight-or-flight mechanisms, essential for a species' survival. Is the creature I am seeing new or familiar? Is it a threat or an opportunity? Our brains form these judgments nearly instantly, based on prior experience, rather than on objective weight of evidence.

Several biases identified by behavioral economists are of particular relevance to enterprise communications.

Loss aversion: We dislike losing more than we like winning, and are more motivated to avoid criticism than to pursue praise. "The brains of humans and other animals contain a mechanism that is designed to give priority to bad news," writes Kahneman. "By shaving a few hundredths of a second from the time needed to detect a predator, this circuit improves the animal's odds of living long enough to reproduce. The automatic operations of System 1 reflect this evolutionary history. No comparably rapid mechanism for recognizing good news has been detected." [28]

The anchoring effect: We are heavily influenced by the most recent idea or frame we have experienced, even if we know consciously that it is irrelevant to the decision at hand. This is related to the *endowment effect* – the tendency to accept or reject an outcome based not on its objective characteristics, but on whether it represents a gain or a loss from the status quo – and the *sunk-cost fallacy*, which leads us to throw good money after bad.

The narrative bias: We see compelling narratives where none exist, and we let them trump objective statistics. More broadly, we attribute causal patterns to chance events, and we overweight current trajectories – we project the present into the future. We also overweight very unlikely possibilities when they are particularly vivid or emotionally compelling.

Outcome bias: This is the tendency to assess the quality of a decision not by whether the process was sound but by whether the outcome was good or bad. This usually fosters risk aversion, but it also can generate overconfidence in those who conclude wrongly that a positive outcome was the result of their bold gamble, rather than luck.

"What you see is all there is" (WYSIATI): We tend to believe that all relevant evidence has been presented.

The confidence bias: We overweight our feelings about our own skill or expertise or about the collective judgment of a community of like-minded believers, despite clear and contradictory evidence.

So, granted, we now have a much more nuanced, systemic, scientific understanding of motivation, behavior and the brain itself than was available 100, 50 or even 25 years ago. The challenge going forward – for social psychologists, economists and marketing and communications practitioners alike – will be learning how these individual

28 *Daniel Kahneman,* Thinking Fast and Slow, *p. 301, Farrar, Straus and Firoux, 2011*

"We're rapidly moving from a world of managed messages to engaged conversations, where influence and advocacy is shaped not by what we can control but by how well we participate, listen and respond."

—Alan Marks, eBay

and collective psychological dynamics function in a world that is infused with information and interconnected globally in ways never before imaginable.

We understand today that humans operate much less on the basis of "rational economic self-interest" than we once assumed – and we understand in what ways. But we do not yet know how those humans, with their mix of System 1 and System 2 thinking, will feel, think and behave inside this profoundly new ecosystem.

In this regard, two dimensions of human behavior and motivation seem of particular consequence for communicators and marketers: the role of stories, and the role of "irrational," non-economic motives.

First, stories. The System 1 mechanism that is arguably closest to the heart of corporate communications is the "narrative bias." As Akerlof and Shiller argue in *Animal Spirits*, "The human mind is built to think in terms of narratives, of sequences of events with an internal logic and dynamic that appear as a unified whole." [29] Howard Gardner, pioneer of the theory of multiple intelligences, extends this to the role of the leader, in his book *Intelligence Reframed*: "The art of the leaders is to create and refine a story so that it engages the attention and commitment of followers, thereby changing their views of what they are, what they are committed to, and what they want to achieve and why." [30]

The onset of radical transparency and universal access to the tools of communication have not changed the central importance of stories to how we think and lead, but they have changed

the context. They have exponentially increased the number of storytellers, and made all of them as visible as their stories.

No longer can a comparatively small number of anonymous message-creators derive credibility and authority through the megaphone of large institutions. If Communications and Marketing are in the business of establishing credible narratives – and we are – then we need to learn how our stories will work within these new realities.

Second, those same shifts in how we communicate and connect are not just changing how we hear and understand. They are also empowering different aspects of how we actually feel and behave.

Underpinning classic economic theory was an essentially Hobbesian view of human nature. Humans were believed to be selfish animals, and therefore life in a state of nature was seen as "nasty, brutish and short." Social goods – and a good society – could only be created in one of two ways: either through centralized control or through markets. In either case, basic human motives remained the same. Those motives either had to be managed by the state (aka Hobbes's Leviathan) and/or leveraged by the market (aka Adam Smith's Invisible Hand). To the degree that a societal "commons" was acknowledged, it seemed destined for a bad end (as in "the tragedy of the commons"). [31]

However, with the radically democratizing impact of the digital network revolution, a richer vision of human motivation is emerging. As social media scholar Clay Shirky explains in his book *Cognitive Surplus*, we are seeing large numbers of people acting from motives that do

29 *George A. Akerlof and Robert J. Shiller,* Animal Spirits: How Human Psychology Drives the Economy, and Why It Matters for Global Capitalism, *p.51, Princeton University Press, 2009*   **30** *Howard Gardner,* Intelligence Reframed: Multiple Intelligences for the 21st Century, *pp.127-8, Basic Books, 1999*   **31** *Garret Hardin, "The Tragedy of the Commons".* Science 162 (3859): 1243-1248. 1968

not fit into the standard models. They are doing things for reasons other than money – e.g., to achieve a feeling of agency or to receive social recognition of their accomplishments. One familiar example is open-source software, and there are many others.

Across multiple industries, there is considerable research showing that the strongest motivators for high-performing employees do not necessarily include compensation. These women and men are attracted by an opportunity to learn, to work with experts and to make an impact – on the company and, increasingly, on the world. Indeed, behavioral economics teaches us that introducing an economic incentive, or the wrong economic incentive, can sometimes actually lessen motivation.

For instance, as Dan Ariely notes in *The Upside of Irrationality*, while a large amount of money "would most likely get you to work many hours (which is why high payment is very useful as an incentive when simple mechanical tasks are involved), it is unlikely to improve your creativity. It might, in fact, backfire, because financial incentives don't operate in a simple way on the quality of output from our brains." [32] Compensation may be necessary, but it is not sufficient.

"Paying for inherently interesting tasks, paying for pro-social behavior, paying too much, paying too little, and providing too many options can all be counterproductive," writes Emir Kamenica of the University of Chicago Booth School of Business. "At the same time, proper design of the decision-making environment can be a potent way to induce certain behaviors." [33]

This is truer today than ever before – but it should never have been a surprise. However, if the complexity of human motivation needed scientific proof, extensive research in behavioral economics has shown that people's decisions are driven by strong innate feelings about fairness – for example, refusing an offer that seems inequitable, even if it benefits you economically. As the Trust Report argued, a perception of mutuality is essential in the establishment of lasting trust – even (or especially) in situations of power imbalance. People come to share belief and gain confidence when they are active participants, when their own beliefs are being honored and are shaping those of the enterprise. For instance, crowd-sourcing of product design builds tremendous advocacy – with myriad examples, from open-source Linux software to Lego communities and beyond.

Without question, social patterns are changing, along with economic patterns – as one would expect from such a major technological shift. By understanding and tapping into these new patterns, communicators and marketers can drive change in much more profound ways. As Shirkey notes, "Much twentieth-century economics mistakenly assumed that market transactions are an ideal and even default model for human interactions. But some kinds of value can't be created by markets, only by a set of shared and mutually coordinating assumptions, which is to say by culture." [34]

This growing importance of culture underlines an important reason for CCOs to develop expertise in behavioral science. It also clarifies why they will need to become masters of analytics and data, as important tools in helping the organization drive change. Our brains are wired in many ways to resist change. While we may sometimes leverage an understanding of our employees' and customers' deep-seated habits and heuristics in order to instill belief, we also need to fight against those tendencies in order to transform the organization's culture, strategy or business model in lasting ways.

32 Dan Ariely, The Upside of Irrationality: The Unexpected Benefits of Defying Logic at Work and at Home, *p.40, HarperCollins, 2010*   *33 Emir Kamenica, Behavioral Economics and Psychology of Incentives, University of Chicago Booth School of Business (February 2012), from the Abstract*   *34 Clay Shirky,* Cognitive Surplus: Creativity and Generosity in a Connected Age, *p.136, The Penguin Press, 2010*

Behavioral Science and the Building of Advocacy

Our research reveals a pattern to the creation of authentic advocacy:

- It begins with the building of shared belief among key decision-makers.

- That belief leads these constituents to act – making a purchase, accepting a job, investing their money, etc.

- Those actions, when successful, generate confidence in the decisions that they have made, and turn actions into ongoing behaviors.

- When those behaviors strengthen the person's feelings of agency and purpose, that can generate self-motivated advocacy – and the virtuous cycle starts over, with these advocates building shared belief among new decision-makers.

Let's examine each of these stages in detail.

Forging a Shared Belief

What causes someone to believe something? As described by Kahneman, our brain's System 1, built on biases, habits and heuristics, is the locus for our deep-seated beliefs.

Of course, tapping into and seeking to form habits have long been the holy grail of marketing. The use of data and behavioral triggers as powerful tools of manipulation is described in Charles Duhigg's new book, *The Power of Habit*.[35] Duhigg reports that 40 percent of our actions are dictated not by thinking but by habit, and that habits are formed through "chunking" – the way our brains convert a sequence of actions into an automatic routine. He also shows how modern marketing has learned to create habits and trigger unconscious impulses that lead to everything from regular purchases to party-line votes. In one striking instance, the marketing algorithms at the retailer Target knew a Minnesota teenage girl was likely to be pregnant before her family did.

This level of alertness and system intelligence is enormously alluring to organizations of all kinds. However, it begs important questions.

For one, any competitive advantage afforded by these new capabilities seems likely to be short-lived. The tools and skills are destined to become commoditized, to be equally available to one's competitors – and to millions of newly empowered potential competitors.

Second, manipulating people's unconscious reflexes may rebound negatively on those who attempt to do so, when the collective System 2 of society – citizens' conscious attention and thought – becomes activated. It is not sufficient – indeed, it may be counterproductive over the long term – to trigger a commercially attractive habit in people, if it doesn't help you generate sustained advocacy at scale, much less activate your corporate character. Ultimately, the habits you seek to create must be admirable and acceptable to society as a whole.

Third, if you capture and analyze data about individuals, communities or organizations, you must avoid violating individual privacy and security. The public's concern over data collection and privacy practices of large social media enterprises, governments and marketers is certain to grow in the decades ahead.

As a behavioral scientist might put it, an authentic enterprise – one that seeks to activate corporate character, generate advocacy at scale and do so on a sustainable basis – is working to stimulate and activate not just the System 1 habits of its key stakeholders, but also their System 2 capabilities, their conscious thoughtfulness. It is looking to instill belief, but of a different sort than System 1 biases.

Examples of this System 2 kind of belief are all around us.

Consider a seller of bottled water. The company can market itself against its competitors – Perrier vs. Evian vs. Poland Spring, etc. But unless people believe in the worth of bottled water itself, the competitive battle will not matter. And people have widely differing beliefs on this topic. Some believe bottled water is healthier than tap water. Others believe tap water is just as good. A growing

35 *Charles Duhigg,* The Power of Habit: Why We Do What We Do in Life and Business, *Random House, 2012*

number believe that selling water in plastic bottles is bad for the environment.

Or take donuts. What are the communications challenges facing Dunkin Donuts, Krispy Kreme and Hostess? Before they can talk about the comparative qualities of their product, they have to know what their current and potential customers believe about donuts per se. Do they believe that warm ones are better? That they are an appropriate breakfast for children? That they are empty calories and carbs and bad for your health?

Even in these comparatively simple examples of everyday purchases, deep-seated beliefs come into play. How much more challenging is it, then, to forge shared belief about more complex dimensions of an organization's business model, strategy or relationship with society?

When it comes to forging a lasting belief, research demonstrates that the old sources of information are no longer the most powerful:

- Seventy-five percent of people don't believe that companies tell the truth in advertising.[36]
- Nine out of ten consumers online trust recommendations from people they know; seven out of ten trust opinions of unknown users.[37]
- Seventy-eight percent of consumers trust peer recommendations.[38]
- Sixty-one percent trust family and friends and customer reviews over manufacturers, experts or retailers.[39]

What CCOs Can Do: Forging Shared Belief

Three major drivers that shape belief are:

| Hearing something from people I trust | Seeing persuasive evidence | Experiencing something myself |

Communicators must move beyond mere awareness to the building of belief. Happily, in doing so we no longer need to rely on intermediaries, such as journalists or industry analysts. We, too, have the full spectrum of paid, owned and earned media at our disposal. For example:

- We could use social media to help employees find testimonials about an important company initiative from friends, colleagues and peers.
- For the launch of a new product category, we could follow the lead of pharmaceutical companies and sponsor the creation of original work by trusted experts and authorities, rather than simply quoting company executives or spokespeople. And we can publish and distribute it ourselves.

- We can create forums, tools, applications and other assets—both physical and virtual—that enable hundreds, thousands or even millions of people to have direct, personal experiences of our brand and character.
- We can build systems of co-creation—for products, services and even policies—that not only build relationships of mutuality, but also reshape participants' views of business at large.

36 Yankelovich, Consumer Research Study, July 2010 **37** Econsultancy, July 2009 **38** "The Broad Reach Of Social Technologies" Forrester report, August 25, 2009 **39** Globally Empowered Consumer Retail Study, IBM Institute for Business Value, January 2012

Spurring to Action

Even when we have come to believe something, we do not necessarily take the actions that logically follow from that belief. As Kahneman explains, our System 2 mind is "lazy" – and there are myriad social norms and environmental factors that exert powerful influences on our actual behavior.

However, much is understood about what motivates people to act. Theories of behavior change describe a pattern of contemplation, preparation and then actual action.[40] They also identify the key factors that must be present before someone will act, in addition to belief and even motivation:

- A trigger
- A feeling of agency or self-efficacy – the belief that I can perform the action successfully
- Expectation of the desired outcome
- Support from social norms and peers

What CCOs Can Do: Spurring Action

The most effective ways to translate shared belief into the decision to act are:

Knowing what to do and how	Seeing role models to emulate	Acquiring the necessary skills, tools and resources

Communicators can do a number of things to spur action:

- We could work with our colleagues in HR to develop training programs that enable and equip, for example, non-sales employees (such as research or industry experts) to engage with clients.

- We could identify, describe and celebrate role models among our customers—not as classic "references" for our products or services, but as people whose thinking and choices illustrate how we believe the world is changing.

- We could collaborate with the CIO to create companywide platforms that engage employees as partners in organizational change initiatives.

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40 Budge, Deahl, Dewhurst, Donajgrodzki, Wood, "Communications and Behaviour Change," Central Office of Information, UK (2009)

Building the Confidence to Sustain Behavior

Marketers and communicators, by wielding the levers of the organization's official channels, their executive authority and their own skills of persuasion, can often spur people inside and outside a company to act – once. However, that does not mean that shared belief has been translated into transformed behavior. One-time actions and new habits are profoundly different and require different strategies.

What causes someone to have confidence?

One key is to receive reinforcement through positive outcomes. Another: to see replicable patterns of success, and have those codified in roadmaps. We can also turn constituents – whether clients, employees, partners or citizens – into educators of one another. More broadly, we can take a systems-thinking approach to communications management. We can build processes (and habits) that generate positive feedback loops for desired actions and negative feedback loops for behaviors that inhibit the organization's goals.

What CCOs Can Do: Building Confidence

Behavioral science teaches us how to build confidence and reinforce continuing behaviors:

Highlighting peers who are succeeding	Helping people see how they are deriving value and benefit from the decision they have made	Architecting positive reinforcement from peer networks

Communicators can take a number of specific actions:

- The CCO can work with the CIO and CHRO to ensure that companywide performance evaluation, recognition and reward systems provide continuing reinforcement for desired behaviors.

- Whether for ongoing operations or new initiatives (e.g., the deployment of a new supply chain or sales process), employees can be given robust feedback systems that help them feel ownership of the outcomes.

- These systems can leverage both internally owned media—like company HR systems—and externally earned media—such as social influence and recognition ratings.

- We can drive internal culture change by engaging the workforce through open social media interventions—some large-scale, others more targeted.

Enabling Advocacy at Scale

Finally, even if someone internalizes the confidence instilled by beliefs and actions and turns it into consistent individual behavior, that is still a far cry from choosing to take the assertive step of advocating on behalf of a person, a product, an organization, an idea or a community.

Indeed, this kind of behavior seems to require the kind of motivation Clay Shirky describes in *Cognitive Surplus* – the desire not only to experience personal agency, but to be recognized for one's work or thinking and to play an active role in crystallizing or catalyzing a social network or peer group. It is not surprising that many of those most active online – ranging from environmental activists, to devoted Apple customers, to open-source software developers, to gamers, to technology early adopters and raters – see themselves not just as experts or fans, but as part of a movement.

Evidence of the potential for advocacy at scale has been growing over the past year – witness "Arab Spring." As *Building Belief* was being put to bed, new examples were appearing almost daily. These demonstrate not just the power of social networks, but the importance of owned media and of a shift in goals from awareness to advocacy.

One example is "The Road We've Traveled," a 17-minute campaign video produced by President Barack Obama's reelection team that was intended to turn the passive experience of watching a video into an organizing and fundraising tool. Indeed, the campaign strategy – described in the *New York Times* on March 15, 2012, the day before the video debuted online – demonstrates multiple dimensions of our new model.[41]

A shift from segments to individuals:

> "Eventually campaign strategists hope to use the new software to focus on people in highly specific ways. For example, if someone watches a video about a certain geographic location, like Florida, a list of that person's Facebook friends in Florida would appear alongside the video with a message from the campaign that suggests recommending the video to them."

An architecture that leverages trusted sources:

> "'This year it's all about getting your message into those trusted networks because everyone is suspicious about politicians,' said Darrell West, of the Center for Technology Innovation at the Brookings Institution. 'It's hard to be persuasive through a direct advertisement. But if you can get people to share videos, it adds a degree of credibility because a friend is endorsing it. People will take it more seriously.'"

A shift from merely informing to providing tools that enable action:

> "Some strategists said what has changed in this election is the ability to turn Web video into something people act on. 'One of the biggest challenges with YouTube is giving people a clear action to take after viewing,' said Stephen Muller, the Obama campaign's video director. 'The goal is to bring our engagement tools to our supporters.'"

The Romney campaign and those of other candidates are taking similar approaches. It remains to be seen whether these efforts will have their intended impact on behavior. But they leave little doubt about the growing perception of what communications today must aim for.

41 Jeremy W. Peters, "With Video, Obama Looks to Expand Campaign's Reach through Social Media," New York Times, March 14, 2012

Finally, a long-standing example of the power of advocacy at scale is insurance provider USAA, for whom authentic advocacy has long been a key driver of the organization's business model. This flows two ways, with the company's advocacy for its members being a pillar of the company's brand – doing what's best for them, not what's best for the bottom line. This includes providing special interest communities on usaa.com, including one for military spouses whose husbands or wives are deployed. Spouses can come together online to share their challenges and concerns in a safe and authentic environment. Conversely. USAA generates advocacy for itself through content syndication of owned media. More than 200 outlets provide USAA-created content – sound financial advice, lightly branded and with no product pitches – to millions of people around the world. This content is seen as highly credible and trustworthy, both by its consumers and by the outlets that choose to pull it.

What CCOs Can Do: Building Advocacy at Scale

What causes someone to advocate?

Seeing that something enhances my identity and reputation.	Making it easy for me to share my opinion and experiences with my personal network.	Enabling me to adapt a new social norm or join a new peer group.

Communicators can build advocacy at scale in a number of concrete ways:

- We can design information, messages and assets about a product launch, a benefits change, a response to crisis or a community program so that they are found via search and shareable via social media.

- We can create Web tools—such as expertise location systems—that automate the insertion of knowledge and individual experts into situations where they will be of value.

- We can work with peers in industry, government, NGOs and elsewhere to establish independent institutions that pool resources and drive advocacy.

IMPLICATIONS:
EXPANDING THE ROLE AND SKILL SET OF THE CCO

The work described in *Building Belief* will require new things of us. But this does not mean that CCOs can stop doing the things that we have always done.

We must still apply business acumen and a deep working knowledge of our enterprise's business model, strategy, operating plan and competitive position. We still must manage the complex interactions among corporate and personal values; ethnic, regional and national cultural norms; historical corporate practices; business unit and functional requirements. We still must bring into the business an external understanding of the economic, societal and political environment. And we still must produce high-quality writing and design, ensure that the workforce understands the company's goals and priorities, and effectively manage relations with the media, analysts, communities and the public at large.

However, the world has changed, and so must we. The CCO must now be an integrator, a systems designer, a publisher and developer, a master of data analytics, a student of behavioral science and a curator of corporate character. All of these new skills and responsibilities carry implications for investment, staffing, training and management of the Communications function.

The CCO as integrator: As described in the "Looks Like" framework, making a company actually think and perform like its corporate character will involve the entire C-suite and beyond. In addition, the issues raised by the rise of social media draw on the skills and responsibilities of every corporate function. This is a new kind of integration, and it must be led. Someone must drive the formulation of policy, the development of management systems, the identifying of opportunities and the implementation of insights. This role does not yet belong to any function of the corporation. CEOs are not yet asking for it – but they will.

The CCO as systems designer: The systems we are speaking of are not only the operations of marketing and communications, but the analysis and management of culture and behavior. A social media strategy, for example – including intranet, public web, blogging, data analytics, expertise location and more – is inherently cross-enterprise and systemic. It must be designed and optimized like any complex system. The same is true of the employee dimensions of enterprise learning, leadership development, supply chain operation and innovation management – and of engaging all the enterprise's key constituencies. CEOs are not yet asking for this, either – but they will.

> **"Employees are ambassadors… for what the company–the culture–believes. We're trying to erase the boundary between internal and external."**
> **—Heather Valento, Procter & Gamble**

The CCO as publisher and developer: Authentic advocacy is a function of belief, action and sustained behavior – and each of these can be activated directly, not just through intermediaries. CCOs can provide facts and evidence, create opportunities for stakeholders to have a personal experience, produce applications that show "how to" and present role models of desired behavior. This can be done through a combination of paid, owned and earned media, and by seizing the same information production capabilities that are available at low or no cost to billions of individuals. Most constituencies do not yet view this as a requirement of businesses – but they will come to do so.

The CCO as master of data analytics: This goes beyond measuring the impact of an organization's communications – as useful as that is. CCOs will need to build the capabilities to understand a broad range of their enterprise's data, as well as the growing mountain of information produced in social networks – and they will need to be able to do so in real time. This is the only way to acquire an immediate understanding of how the enterprise is seen and understood by individuals, as well as headlights onto current and future performance and reputation. For example, Wal-Mart grounds not only its famous logistics operations, but its marketing, in the company's continuous and voluminous streams of data on sales and customer behavior.[42] Importantly, data provides the means to understand and engage individuals at scale. The CEO and the C-suite do not now look to Communications for this kind of expertise – but if the CCO does not provide it, they will find someone else who will.

The CCO as student of behavioral science: When our job was broadcasting messages to audiences and managing intermediaries, our key skills were writing, design and acting as gatekeeper. Now that our job has expanded to include shaping cultures, attitudes and beliefs, we must be skilled in how those dimensions of organizations, societies and individuals are formed and evolve today. Organizations currently look to Human Resources for professional psychological expertise – but it typically is not applied to instilling belief, prompting action, generating confidence or creating advocacy. CEOs will soon be asking how to instill this knowledge into the organization.

The CCO as curator of corporate character: The CCO must lead the company in establishing and implementing management systems to define and activate corporate character. In doing so, he or she is supporting the most central role – not just of communications, but of the CEO.

In each of these roles, the CCO is in many respects pursuing familiar goals, albeit with new tools and knowledge. However, the work we describe here has implications that challenge some long-held assumptions about the purpose and scope of organizational communications.

We can see one of those new implications when we use behavioral science to look at the New Model itself.

Seen thus, the cycle of belief, action, confidence and advocacy looks like *a steady progression from System 1 to System 2 thinking*. In this sense, activating organizational authenticity is a way to overcome at least some of the inherent biases and habits of any organization and its constituencies.

We may fail often in this attempt. But by becoming more disciplined, collaborative and systemic – by deliberately following a model – we can help change old habits by building new ones. Such a model reminds us to be thoughtful, despite the inevitable reality that much of what humans do is thoughtless.

Another of those implications challenges one of our profession's most well established tenets: *the traditional distinction between internal and external communications.* This is grounded in conventional wisdom about how corporations are organized into various internal functions such as sales, marketing, HR, finance, and IT, and into various external constituencies, such as customers, investors, governments, the media and communities.

The problem with this picture, however neatly it flows on an org chart, is that it isn't true to human relationships, and never has been. People naturally form social networks, and those networks do not self-organize along the lines of an internal/external dichotomy. In fact, in a world of radical transparency, there is no longer a sustainable (and comfortably siloed) "in" walled off from a clearly segmented "out."

Indeed, one of the key conclusions from our research is that an organization's culture (its internally experienced essence) and its brand and reputation (its externally experienced identity) must be integrated. The brand, finally, is an expression of what the people of the company actually are. This, in turn, is the foundation of organizational authenticity.

Our New Model, most simply put, is a proposal for how to make that fusion operational.

Call to Action

The need for leadership in building enterprise authenticity is clear. We believe the CCO is uniquely positioned—and has a historic obligation—to provide it.

To seize this opportunity, Page Society members should adopt the New Model in their own organizations – reaching out to their C-suite colleagues in order to make it integral to the enterprise's way of doing business. They also should serve as advocates for it across their own professional and social networks, and work to spawn new generations of advocates in the profession, in business and in society at large.

Here's how we can start:

1. **The CCO should assert leadership in defining and activating corporate character.**

    The first step is definition. The CCO should initiate a C-suite-led effort to define the enterprise's corporate character. This effort should engage all of the organization's people in a way appropriate to that culture. The resulting definition should encompass the value that the organization creates for each of its key *constituencies* – its customers, partners, investors and employees, as well as society at large. It should be grounded in a set of *values* that guide behaviors and relationships and ground an enduring culture. This document suggests some *tools and interventions* that have helped initiate and manage this work. In addition, the Page Society has plans to publish further research, examining companies that have successfully activated values across the enterprise.

    The second step is activation. Working with C-suite peers, the CCO should apply the *"Looks Like" framework* to assess whether the organization consistently enacts and expresses its corporate character across all of its brand expressions, communications, products and services, operations, management systems and interpersonal relationships. Based on that assessment, the CCO should lead the creation of an action plan to *address gaps and deepen strengths*, including whether *measurement* and *listening* instruments need to be revised or augmented to provide ongoing feedback and sensing.

2. **The CCO should assert leadership in forging shared belief, encouraging action, building confidence and promoting advocacy at scale.**

    The first step is assessment. Do communications strategy and programs satisfy the authentic advocacy aspect of the model? The CCO should ensure that programs are aimed at *individuals*, as well as publics and segments of populations. He or she should also ensure that programs are aimed at spurring them *to act* and to *advocate*, in addition to shaping their perceptions and opinions.

The second step is building skills. The CCO should work with the CIO to deploy the tools, skills and infrastructure of *data analytics* – to give the organization the capacity to capture and make sense of enterprise and social data; detect trends and sentiment; and understand stakeholders as unique individuals. The CCO also should work with the CHRO to build the communications organization's expertise and capabilities in *behavioral science* and apply them to communications planning and programs. Specifically, all enterprise expressions and operations should be assessed to determine whether they are succeeding in forging shared belief, spurring desired actions, sustaining desired behaviors and generating broad advocacy among unaffiliated populations.

The third step is establishing an "owned media" capability – the ability to generate credible information, knowledge, apps, etc. and to distribute them directly to targeted individuals through modern channels, including social networks and smart devices. The CCO should ensure the organization is leveraging data to personalize and tailor communications and engagement to enhance relevance.

The fourth step is building a social business. The CCO should engage the C-suite in establishing progressive *social business policies and programs*. All content and assets should be designed to be found via search and *shared via social media*. The enterprise should establish *automated expertise location* and deployment systems. And it should *apply data analytics* to both its online and offline presence. Based on the findings of our Social Media Summits, the Page Society will be publishing guidelines on how enterprises can establish policies and provide encouragement and guidance to employees.

3. **CEOs and other C-Suite executives should provide leadership across the enterprise to activate corporate character and advocacy at scale.** The responsibility for defining and activating corporate character is shared across the entire enterprise, encompassing *all leaders, managers and especially employees*. Only such a managed, enterprise-wide approach can achieve effective, long-term engagement with masses of individuals to create shared belief and advocacy at scale. Therefore, a firm commitment from the C-Suite – including both *formal and informal mechanisms* – will be essential. The CCO should take a leadership role in initiating this senior-level planning process and in shaping strategies.

Formal actions would include employee surveys, operating plan commitments to values, performance reviews and compensation, among others. Informal actions would include leadership communications, dialogue within and among departments, activation of champions within the organization and the like.

The company's CEO, of course, can be crucial to the success or failure of such an effort. But while a charismatic leader can play a galvanizing role, research shows that senior executives are less and less influential, while a company's employees are seen as highly credible. By enabling and empowering employees to understand and embody the character of the enterprise, an organization can most effectively create shared belief and advocacy at scale.

4. **Leaders of the profession and of graduate and undergraduate Business and Communications departments should pioneer new research.** While this paper is based on significant qualitative research and vetting, described in Appendix 2, there is a need for additional research aimed at four goals: *evaluating the validity of the model*; further *integrating behavioral science* into communications scholarship; *integrating data analytics* into communications scholarship and practice; and *developing deeper case* studies that will help executives adapt the model to their own circumstances.

The Page Society intends to pursue research aimed at these goals, and is reaching out to potential research partners who can provide both research capabilities and financial resources. In the spirit of the New Model, the Page Society seeks to engage with other organizations interested in the issues explored in this report. We wish to hear their perspectives, explain ours, and achieve a shared belief that may result in actions, confidence and advocacy at scale, all aimed at improving the trust in and effectiveness of enterprises and institutions. These partnerships could take the form of meetings, conferences or joint research projects.

Finally, it is likely that the planned additional research and dialogue, along with ongoing changes in the dynamic environment in which enterprises exist, will result in further evolution of this new model. The Page Society expects that a revised New Model 2.0 or perhaps some currently unknowable step-evolution will be needed in the future. Given the pace of change, this may occur sooner than we currently imagine.

APPENDIX

Appendix 1:
From *The Authentic Enterprise* to the New Model

The Authentic Enterprise (2007) identified four new priorities and skills for which the CCO must now assume a leadership role:

1. Defining and instilling company values;

2. Building and managing multi-stakeholder relationships;

3. Enabling the enterprise with "new media" skills and tools;

4. Building and managing trust, in all its dimensions.

These priorities have spawned a growing body of work within the Page Society over the past five years. The Trust Report focused on the last of these, and the Social Media Summits on the third.

The joint Page/BRT Institute Trust Report (2009) described the waning of public trust in many institutions over the past several decades – a phenomenon some have come to see as a global crisis of leadership. Despite this, the report, drawing on scholarship in social psychology and public policy, presented an optimistic viewpoint. While clear-eyed about the challenges, it argued that the moment before us offers a historic chance to reimagine and reanimate the basic relationship between institutions and the people who constitute and depend on them. It proposed that we can build not only trust but greater economic opportunity and social cohesion:

> "Today's low levels of public trust, rather than signaling a capricious public or a no-win situation, may represent opportunities for game-changing solutions that can lead to greater efficiency and value creation. These many opportunities, however, are the flip side of many new threats. Both trust and mistrust in firms can be irrationally contagious.

> "To capitalize on these opportunities and address these threats, leaders must develop a keen practical understanding of the three core dynamics of trust:

> 1. **Mutuality** is based upon shared values or interests;

> 2. **Balance of Power**, where risks and opportunities are shared by parties; and

> 3. **Trust Safeguards**, which limit vulnerability in the context of power imbalances."

The Page Society's Social Media Summits, held in 2010 and 2012 and sponsored by IBM and eBay, respectively, described the risks and opportunities of this new global phenomenon, and of how enterprises and institutions can begin to transform themselves into "social businesses." Among the risks identified were the ease with which negative views of an organization from disgruntled employees, partners and customers can be aired; threats to the protection of intellectual property; the potential for legal liability; and the need to safeguard individuals' privacy, given the massive increase in public information about employees, candidates and alumni.

More broadly, a flawed organizational culture can no longer be papered over or disguised. In a radically open world, it will be found out. However, that also presents a rich new opportunity. A healthy culture, widely seen, is the best marketing campaign imaginable.

Other opportunities identified during the Summits included the ability to increase innovation by connecting people and activities inside an organization with those outside; the engagement of key populations in the creation of new, progressive leadership models, structures and norms; and the fact that people's comfort with this new social realm means that we don't have to persuade them to engage – they do it naturally.

The 2010 Social Media Summit proposed an initial approach to building a social business:

- Ingraining social media into everything the company does, and creating new business models as required.

- Creating the right policies, guidelines and governance to support business goals and risk mitigation.

- Educating employees about social media risks, about digital citizenship and about how to use social media to deliver value.

- Establishing a cross-company, cross-discipline executive council.

When these efforts from the past 5 years are taken together, the picture of our profession that emerges can be seen as a contemporizing of Arthur W. Page's foundational tenets on public relations. That should not be surprising. The Page Principles (see p. 42) hold renewed relevance in a world of newly empowered customers, investors, employees and a general public demanding authenticity of businesses and institutions as a prerequisite for establishing and maintaining a relationship with them.

Appendix 2:
How the New Model Was Developed

Research: Beginning in December 2010, interviews were conducted with chief communication officers and senior staff across 13 corporations by Tod Martin, president of Unboundary. They spanned a diverse cross-section of industries: Home Depot, FedEx, P&G, IBM, Johnson & Johnson, General Motors, Computer Associates, Xerox, BMW, Pepsico, Chevron, Thomson Reuters, eBay. The focus was on how companies are reimagining and reinventing the model, structure, staffing and processes of communications. Specifically, the interviews explored the arc of transformation, probing to understand the primary drivers of change, the innovations developed in response, the integration of those innovations and the adaptation of existing metrics or development of new metrics to gauge success.

Research findings: The common and dominant driver of change, cited in all interviews, was the rise of network society, as access to low- and no-cost digital technology makes everyone a publisher, broadcaster and network. CCOs described how digital networks have made corporate culture and corporate reputation indivisible. Where once the illusion existed that corporate culture was contained and controlled within the four walls or within the firewall technology of an enterprise, now there is a new reality: customers, investors and communities can see a corporation's actual behavior. As a result, the opinions and actions of stakeholders are influenced both directly and indirectly.

For every corporation studied, the fundamental shift occurring is an evolution from a one-way, broadcast, message-centric model towards the ability of corporations to engage with audience members as individuals, using the same low- and no-cost technology. Just as employees, consumers and stakeholders have become technologists and publishers, so must corporations. Several CCOs said that the practice of engaging an

"influencer audience" with conversation, co-creation and listening is a capability that corporations already have, but acknowledged that it is often focused on a narrow, elite group of influencers. Scaling up a company's ability to meet a "mass influencer audience's expectation for 1:1 relationships" is shaping the structure, process and staffing of communications and marketing.

Several CCOs and senior staff acknowledged that their evolutionary approach has been influenced both by AWPS's Trust Report and *The Authentic Enterprise*, and by observation of companies that have engaged "masses of influencers" in what were eventually revealed to be less-than-authentic ideas and dialogue. The result has been heavy emphasis on developing deep and clear understanding of "corporate character" – the belief, values and purpose that make the enterprise unique.

The need for self-knowledge and "perspective" to define corporate character led to a focus on the culture's deeply held shared beliefs. These shared beliefs are the "fuel" of the emerging model, which recognizes that engagement at scale requires shared beliefs that become the basis for action, confidence and advocacy.

Initial Validation: Based on these interviews – as well as additional research into the behavioral science of how belief, action, confidence and advocacy are fostered – a prototype model of "engagement at scale" was developed by the Task Force, Tod Martin of Unboundary and Keith Yamashita of SYPartners. Initial peer review was obtained at a summit organized by Mary Boone of Boone Associates on March 29-30, 2011 at Marist College in New York State. The model was then shared with AWPS members at a luncheon session of the Spring Seminar, where 18 table captains served as facilitators to guide, capture, synthesize and report feedback. Based on that feedback, the Task Force revised the model, bringing it into its current validated form.

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Page Society New Model Working Group

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NOTES

PAGE PHILOSOPHY AND PAGE PRINCIPLES

The Page Philosophy

Arthur W. Page viewed public relations as the art of developing, understanding and communicating character – both corporate and individual. This vision was a natural outgrowth of his belief in humanism and freedom as America's guiding characteristics and as preconditions for capitalism.

The successful corporation, Page believed, must shape its character in concert with the nation's. It must operate in the public interest, manage for the long run and make customer satisfaction its primary goal. He described the dynamic this way: "Real success, both for big business and the public, lies in large enterprise conducting itself in the public interest and in such a way that the public will give it sufficient freedom to serve effectively."

The Page Principles

- *Tell the truth.* Let the public know what's happening and provide an accurate picture of the company's character, ideals and practices.

- *Prove it with action.* Public perception of an organization is determined 90 percent by what it does and 10 percent by what it says.

- *Listen to the customer.* To serve the company well, understand what the public wants and needs. Keep top decision makers and other employees informed about public reaction to company products, policies and practices.

- *Manage for tomorrow.* Anticipate public reaction and eliminate practices that create difficulties. Generate goodwill.

- *Conduct public relations as if the whole company depends on it.* Corporate relations is a management function. No corporate strategy should be implemented without considering its impact on the public. The public relations professional is a policymaker capable of handling a wide range of corporate communications activities.

- *Realize a company's true character is expressed by its people.* The strongest opinions – good or bad – about a company are shaped by the words and deeds of its employees. As a result, every employee – active or retired – is involved with public relations. It is the responsibility of corporate communications to support each employee's capability and desire to be an honest, knowledgeable ambassador to customers, friends, shareowners and public officials.

- *Remain calm, patient and good-humored.* Lay the groundwork for public relations miracles with consistent and reasoned attention to information and contacts. This may be difficult with today's contentious 24-hour news cycles and endless number of watchdog organizations. But when a crisis arises, remember, cool heads communicate best.