THE NEW CCO:
TRANSFORMING ENTERPRISES IN A
CHANGING WORLD

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Arthur W Page

ARTHUR W. PAGE SOCIETY

VISION

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

MISSION

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

FOREWORD

Any Chief Communications Officer (CCO) who reads this report will recognize the many ways his or her job has changed dramatically in the last decade.

While CCOs still own the "foundational" role of reputation management, today they are increasingly expected to help lead the strategic direction of an enterprise as well, which includes driving cultural strength and engagement with a complex world.

The causes of this transformation are also well known to CCOs, among them the emergence and maturation of social media, demands for greater transparency, global expansion, and an awakening to the world of "big data" and "owned content." Add growing social, political and economic volatility to this new reality and it is clear that CCOs must be prepared to lead and even to think in new ways.

For these reasons, it is an ideal time for the Arthur W. Page Society to assess the future of the integral role of the CCO and identify how communications leaders can step into it with confidence and expertise. As we conclude in this paper, we are at a critical turning point for our profession. The pace of change for CCOs will continue to accelerate. As my former boss at General Electric Jeff Immelt said, now more than ever, CCOs must help their organizations understand, analyze and respond to these new realities.

This report builds on groundbreaking thought leadership we began in 2007 with publication of *The Authentic Enterprise* and continued with *Building Belief* in 2012. In these reports, we acknowledged the radical transformative forces affecting enterprises – the emergence of highly informed, engaged and active stakeholders, empowered by the digital revolution to organize, mobilize and exert their influence; increasing globalization opening up new markets; and the rise of social media, which has completely redefined how individuals connect and share ideas with one another, form communities, and engage with our enterprises. Since then, the changes foreseen in those foundational studies have intensified. On top of this, changing stakeholder demographics, internally and externally, are compounding the need for enterprises to embrace diversity, not merely as a social issue but as a vitally important strategic business imperative.

Recognizing these accelerating trajectories, we set out two years ago to map the future of the CCO. This report is the result of those efforts. Where the Page Model, introduced in *Building Belief*, provided a perspective on how an enterprise can successfully engage with the world, this report delves more deeply into who and what a CCO is and will be within that model.

I am proud to say that in developing the point of view presented here, we listened to hundreds of Page Society members and to experts from all over the globe. The power of this report is that it reflects their perspectives and passion about the future of our profession.

Page members, and indeed all senior communicators, will find much here to help them lead some of the most important enterprises in the world into the future. As recognized in this report, most are already acting as reputation stewards in a "social" world, leading integrated initiatives across teams, and building platforms and processes to effectively engage with the world. It's an entirely new, high-value job. It's a great time to be a CCO.

Gary Sheffer
Chairman, Arthur W. Page Society (2014-2015)

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EXECUTIVE SUMMARY

The Chief Communications Officer (CCO) of today is at a critical inflection point. The environment in which enterprises operate is fraught with challenges: emerging competitors reinventing traditional business models; changing demographic, regulatory and sociopolitical conditions; new modes of work; and an ongoing paradigm shift in how individuals engage with one another and with organizations. Spurred by these changes and enabled by social media, stakeholder groups have become more empowered, emboldened and organized. Evolution of the enterprise in the face of these new realities is required, and CCOs increasingly will be central to guiding these changes. In this report, we describe how the role of the CCO is evolving to meet the challenge.

Transformation of the CCO and the Communications Function

Just as in nature, organizations that thrive are those most highly attuned to the conditions of their ecosystem and best able to adapt to them in ways that yield a competitive advantage. The CCO, as both monitor of environmental conditions and communicator across the enterprise, is necessarily at the center of much of the adaptation that takes place. Our research revealed five patterns that reflect how the communications function itself is changing:

1. **Shifting Investments**
   CCOs are increasingly directing resources to content-based engagement opportunities, in some cases even building their own publishing platforms.

2. **Increased Focus on Integration**
   CCOs are working more closely with their C-Suite contemporaries to coordinate stakeholder engagement, co-leading on issues like diversity and culture, marketing and sales promotion, and building digital systems.

3. **Creation of New Job Roles**
   New engagement strategies are creating the need to add employees with new skill sets and responsibilities, such as content and engagement designer, digital strategist and behavioral scientist. CCOs are also frequently functioning as an attractor, builder and distributor of talent across the organizatio

4. **New Partnerships**
   CCOs are supplementing in-house capabilities with external expertise in areas like behavioral economics, data analytics and content creation while forging new partnerships with non-governmental organizations (NGOs) that allow them to better navigate rapidly changing social and environmental challenges.

5. **New Measurements and KPIs**
   CCOs are embracing new metrics by gauging factors like employee engagement, customer loyalty, propensity to recommend to others, social influence and likelihood to act based on past behavior.

Looking at these patterns holistically, we can begin to understand the changes taking place around the CCO and the Communications function. In turn, these trends lead to what we believe to be the three fundamental roles that the CCO of tomorrow will serve.

Role One: The Foundational CCO

The CCO has become not only a central actor in leading the enterprise's stakeholder engagement and reputation management efforts, but also a leader in building corporate character and advising on key business strategies. Based upon our research, we have distilled this foundational role of the CCO into three areas:

1. **Strategic Business Leader and Counselor**
   Today's enterprises require a CCO who is an informed, vocal, compelling and trusted counselor to leadership. And given its uniquely broad view, leadership expects Communications to identify, interpret and act upon changes in the external environment; stay ahead of events by monitoring traditional and social media; engage with regulators, policymakers, inter-governmental organizations (IGOs) and NGOs; and build trusting and lasting relationships with stakeholders.

2. **Steward of Enterprise Reputation**
   The CCO's service as a "conscience counselor" ensures that the company's actions match its rhetoric, that values are practiced and not merely preached, and that the company is behaving responsibly, transparently and with the interests of all stakeholders in mind.

3. **Effective Communicator**
   With the proliferation of digital channels and the more indirect influence that enterprises have in shaping perceptions, communicating honestly and effectively about the enterprise has become even more crucial.

While this foundational role has long been central to the remit of the CCO, we have found that it has actually grown in scope and importance as the reputational challenges to enterprises have increased.

Role Two: The CCO as Integrator

A new model of leadership that is emerging today is not about organizational structure or "ownership," but rather how to effectively share enterprise-level responsibility for the organization's actual behavior and stakeholder relationships. What matters most is the CCO's ability to drive cross-functional collaboration and integration around strategic priorities. Today's CCOs are working more closely than ever with CIOs on cybersecurity and digital engagement platforms; with CHROs on employee recruitment, engagement and retention; and with General Counsel on risk mitigation and building stakeholder partnerships.

We did not see clear patterns of combination or predominance between the Communications and Marketing functions. However, there is increasing collaboration between the two as paid, earned and owned media are increasingly interrelated in the social media realm and as companies elevate social purpose to a more integral component of their business strategy and brand identity.

This, however, does not mean that the two must be combined organizationally; in fact, the distinct value that each brings should be preserved and honored. Most CCOs believe that whatever formal structure is applied within an organization, the future will require more ad hoc, fluid approaches requiring coordination, collaboration and strategic integration skills. Whatever structural approach an organization chooses, our research suggests that:

- The CCO must have a direct working relationship with the CEO and C-Suite colleagues;

- All C-Suite members must collaborate on both activating corporate character and engaging stakeholders around it; and

- The CCO should have responsibility for systematically managing enterprise stakeholder engagement through social media and other means.

Role Three: The CCO as Builder of Digital Engagement Systems

Our research leads us to a framework for the newest – and arguably most challenging – role of the 21st-century CCO: engaging with individuals to build advocacy at scale. To do so, the CCO must become a builder of sophisticated platforms that map stakeholders, understand them (usually through data), and systematize the process of engaging with them, not merely as segments but as individuals.

We expect that the CCO will increasingly lead efforts, in concert with other line function leaders, to develop what we are calling "digital engagement systems." These systems would "know you" based on data and apply that knowledge to deliver personalized content (information, tools, answers, etc.). Building and operating systems to engage individuals directly and at scale require the CCO and the Communications function to:

- **Leverage data to understand individuals.** Data offer a window into who matters, to whom *they* matter, and how best to engage them. Indeed, for the purposes of creating a system of engagement, the content we create and inject into public discourse, as well as the content generated by others, are data to be analyzed.

- **Create channels and platforms to connect with those individuals directly.** By combining data insights with knowledge of behavioral economics, CCOs can build new platforms that offer a customized experience for individual stakeholders.

- **Engage with individuals to shape opinion and influence behavior.** A digital engagement system is important for both dimensions of the Page Model – activating corporate character and building authentic advocacy. CCOs and their teams are the architects of a new form of engagement, driven by content that exemplifies corporate character while making it relatable to the individual based on data insights. The powerful connection that results will help organizations build and maintain more influential relationships with stakeholders while inspiring them to engage within their own networks in ways that support the brand.
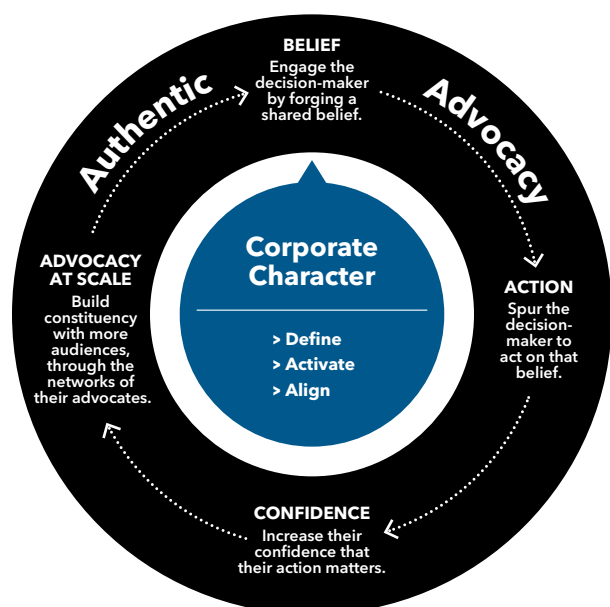
The new CCO will be a systems thinker and enterprise strategist, a key hub of the ecosystem and a driver of strategic business outcomes. The systems that CCOs are being called upon to build require expertise in governance and process, innovation and collaboration, and design and production. Leading enterprises are pioneering the development of digital engagement systems that drive deeper insight and greater capabilities related to business-critical stakeholder engagement activities. And they use those insights and capabilities to engage in real dialogue with stakeholders.

The Page Model and the New CCO

The Page Model begins with defining and activating the enterprise's corporate character – the essential identity infused into its mission, purpose, brand, strategy and culture. Around this character, CCOs engage with stakeholders to build shared belief, spur them to action, earn their confidence and motivate them to advocate on behalf of the enterprise, beginning the cycle anew with a broader set of stakeholders.

Corporate character, by definition, must permeate the enterprise. This demands that character be built into the bedrock of every facet of the business. With the

**The Page Model for
Enterprise Communications**

Authentic · Advocacy

Corporate Character
> Define
> Activate
> Align

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 their advocates.

growing expectation that enterprises operate transparently and responsibly, and serve a greater social purpose, the work of defining and aligning corporate character becomes ever more important. Connecting the work of the enterprise with the ways in which it improves the lives of those with which it interacts is perhaps the most elemental strategic role the CCO can play. This requires aptitude in roles one and two.

Inspiring shared belief that leads to advocacy necessitates a keen understanding of the interests of all stakeholders and the ability to connect with them effectively. The CCO's ability to win the support of C-Suite colleagues and direct their efforts to a singular purpose requires the capacity to fully integrate the work of communications while applying data analytics, cultural intelligence and behavioral economics precepts. CCOs will leverage this knowledge to build sophisticated systems that bring corporate character to life through personalized engagement experiences with employees as well as customers. That's role three. This engagement flows both into and out of the enterprise. The inbound elements will shed light on who influences the enterprise, what motivates them and where to reach them. The outbound will be the delivery of content that inspires their confidence, enables them to take action and empowers them to serve as advocates. This constant two-way flow of information and mutual engagement between enterprise and stakeholder has become the norm for how enterprises engage in a digital world.

Call to Action

As today's CCOs undergo this transformation, the Arthur W. Page Society offers the following recommendations:

Foundational CCO:

1. Find and use data to fortify the foundational CCO role, including the ethical management of reputation, execution of communications strategies and provision of strategic counsel to leadership.

2. Seek out diversity. Diverse viewpoints are of increasing importance as companies engage with new communities on a global basis.

CCO as Integrator:

3. Establish new partnerships with C-Suite colleagues. Partner with the CHRO on employee engagement and corporate character, with the CIO on developing a more robust data analytics capability, and with the CMO on aligning brand and customer engagement with that of other stakeholders.

4. Use innovative approaches like Agile to re-engineer the concept of teams and facilitate greater cross-functional integration and collaboration.

CCO as Builder of Digital Engagement Systems:

5. Use data to uncover and pursue new opportunities for broader and more meaningful engagement. Leverage a combination of off-the-shelf tools and custom-built systems (depending on the level of resources available) to devise cohesive systems for identifying stakeholders and engaging with them around pertinent content.

6. Engage with individuals by empowering employees and creating channels and platforms to connect with those individuals directly, aiming at building a foundation of understanding and support – as well as joint action.
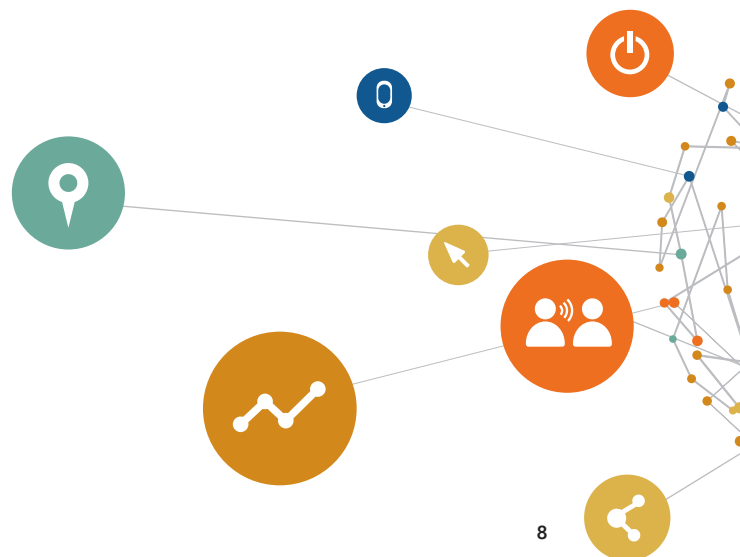
INTRODUCTION

The Page Society's 2007 report, *The Authentic Enterprise*, described the emerging context for corporate communications created by the digital revolution, globalization and the empowerment of new stakeholders.

"In such an environment," we wrote, "the corporation that wants to establish a distinctive brand and achieve long-term success must, more than ever before, be grounded in a sure sense of what defines it – why it exists, what it stands for and what differentiates it in a marketplace of customers, investors and workers. Those definitions – call them values, principles, beliefs, mission, purpose or value proposition – must dictate consistent behavior and actions." Authenticity, understood not only as ethics but also as a distinct and sincerely expressed identity, would become "the coin of the realm for successful corporations and those who lead them." We further observed that the modern corporate communications function was no longer simply focused on message dissemination but engaged in interactive relationship building with key stakeholders and playing a strategic role in company policy and positioning.

Five years later, in *Building Belief: A New Model for Activating Corporate Character and Authentic Advocacy,* we offered practical guidance to CCOs on how to put the principles of *The Authentic Enterprise* into practice. Specifically, the Page Model for Enterprise Communications describes how to define and activate corporate character and how to build stakeholder relationships leading to advocacy at scale – motivating others to act favorably on behalf of the enterprise.

Today, it is clear that the environment we saw emerging in 2007 has become the norm. New trends, which
are largely derivative of those we first identified in

The Authentic Enterprise, continue to transform the business environment, and with it, the role of corporate communications. Stakeholder groups have become more empowered, emboldened and organized, creating an imperative for businesses and CCOs around the globe to change the way they work, think, are organized, and in what they choose to invest.

As we consider the future role of the CCO, we will see a significant break from the past, with growing focus on cross-company integration and the development of new digital systems to engage directly with constituents, not only in segments but also

**The Page Model for Enterprise Communications**
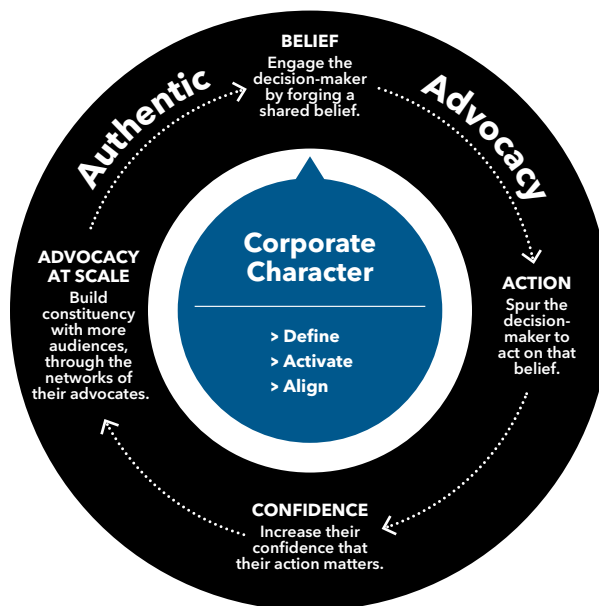
increasingly as individuals. At the same time, the now familiar CCO role as strategic leader and counselor, steward of enterprise reputation, and builder of relationships with key constituents both inside and out, will become even more critical to the success of the enterprise in the 21st century.

Our Research

The methodology for this study applied a mix of quantitative and qualitative approaches aimed at collecting a rich array of perspectives from senior communicators and business leaders. Analysis of survey results and aggregated data from a dedicated online discussion forum provided strong evidence of key trends while narrative analysis of forum posts and follow-up interviews with participants validated, refined and exposed further insights. Secondary research informed and provided a multi-disciplinary context for the primary research findings.

The key elements of our research were:

- **Page Jam:** Held a two-day, IBM-hosted, global online discussion in October 2014, involving more than 200 senior communications leaders from three continents. In addition to its text-based discussion, the Jam also generated insight from registration data, survey and poll questions. Deep analytics were applied to the Jam's 570 posts, which were subsequently broken into six categories: Structure, Measurement, Investment, Roles/Skills, Partnerships and Leadership.

- **CCO interviews:** Conducted 12 in-depth interviews to obtain deeper insight into data gathered via the Page Jam. These conversations probed on key themes from select participants who received high response rates to their posted comments.

- **C-Suite and executive recruiter interviews:** Conducted 17 interviews with CEOs, CIOs, Vice Chairman, General Counsel, CHRO and other senior executives from Page Society member companies and global executive recruitment firms.

- **Literature review:** Examined 34 sources including surveys and studies from professional and thought leadership organizations as well as academic
literature (see Appendix 1).

- **Discussion forums:** Collected insights from the following Page events:

  1. Page Society Annual Conferences (2014 and 2015);

  2. Insight Forums held in Atlanta, Georgia (July 2014), Washington, DC (June 2015), Leverkusen, Germany (October 2015) and Dubai, United Arab Emirates (October 2015);

  3. Small-group CCO discussions held across Europe in 2014 and 2015; and

  4. A roundtable conversation organized in partnership with the PR Council and the HR Policy Association (September 2015).

- **Assessment of trends affecting the global business environment:** Brief created by Arthur W. Page Society members and staff.
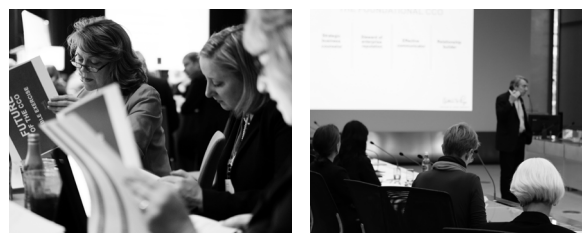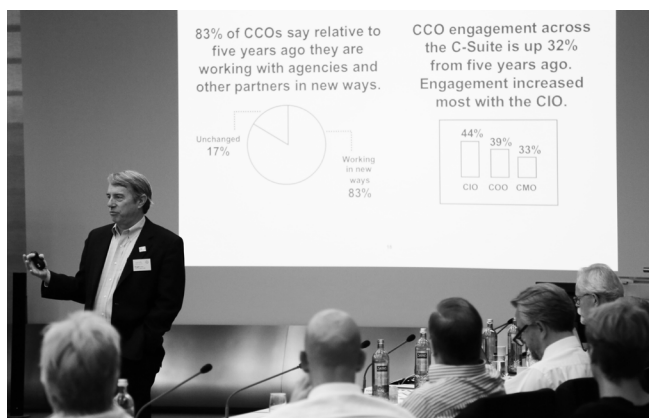
Page Society members engaged in discussions and group exercises dedicated to this report.

EMERGING TRENDS AFFECTING CCOS AND ENTERPRISES

The CCO of today is at a critical inflection point. The environment in which enterprises operate is fraught with emergent challenges: new competitors reinventing traditional business models; changing demographic, regulatory, and sociopolitical conditions; new modes of work; and an ongoing paradigm shift in how individuals communicate with one another and engage more actively with organizations. Evolution in the face of these new realities is required, and CCOs will be increasingly central to guiding these changes.

In 2007, in *The Authentic Enterprise*, the Page Society observed three emerging trends that were transforming the environment in which businesses operated, creating challenges for their ability to build and protect brand and reputation. Fast forward from 2007 to today, and it is clear that these trends – globalization, the digital networking revolution and the empowerment of new types of stakeholders – are the new reality. Further, these broad trends have also evolved in ways that have new, unforeseen implications that continue to transform the business environment.

In the smaller, flatter global world in which we live and do business, social media have not only changed the way people access information and communicate with each other, but also created new communities of interest that have powerful influence on existing and emerging institutions. Indeed, stakeholder groups have become more empowered, emboldened and organized. As evidence, CCOs need look no further than the growing clout of activist investors who have achieved greater success in influencing (if not dictating) the actions of some of the world's leading companies. Contending with shareholder and other stakeholder activism has become a critical strategic issue for C-Suite and boards alike.

The emerging trends that we believe are most profoundly impacting the role of the CCO fall generally into two categories: those derived from technological advances and those more social, political or demographic in nature. In each case, all enterprises – business, non-profit or government; small or large; local or global – are confronted with challenges they must understand, and to which they must adapt. Because these phenomena go to the very nature of the enterprise and its ability to function and create value, the entire leadership of the enterprise must understand and respond with flexible strategy and a willingness to engage the wide variety of stakeholders whose influence touches them every day.

Technology-Related Trends

- **Disruptive Business Models:** New technological and cultural shifts are raising the stakes for companies that once felt insulated by the strength of their market share and brand. Mobile technology, a flexible labor force and consumer participation allow innovative start-ups to challenge established players. The result of these changes in industry after industry is an emergence of new business models. Prevalent among these are "freemium"

services like YouTube, Dropbox, LinkedIn and Spotify that offer a base service at no cost to the user (often supported by advertising) and a premium version for a subscription or fee. Changes in how companies think about workforces are also producing an on-demand economy that brings products and services cheaper and more quickly to the masses, or delivers old ones, from taxi services to house cleaning, in new ways that are more accessible and compelling to the consumer.[1][2][3]

- **The Changing Nature of Work:** The advance of robotics and the placement of web-enabled technology in all sorts of products (the so-called internet of things) are allowing for more and more automation of basic tasks, diminishing the need for certain types of labor, both skilled and unskilled. According to The Accenture Technology Vision 2015 report, a "reimagined workforce" is now one of the most important digital trends. In their survey of more than 2,000 global IT and business executives, "78% agree successful businesses will manage employees alongside intelligent machines, ensuring collaboration between the two."[4] As computing power advances and systems achieve cognitive abilities that rival or even surpass humans, there will be a dramatic redefinition of the nature of work as well as how workforces are trained and deployed,[5] and how companies approach everything from knowledge-sharing between employees to streamlining operations based on a "cognitive business" approach to management.[6]

- **Personal Privacy vs. Personalized Services:** Better data-driven insight into individuals' behavior, particularly online, as well as their precise location, allow for more effective target marketing and more customized product experiences. Customers love the convenience and personalized service but there is a growing concern that these benefits come at the expense of individual privacy. And with these capabilities comes the need to carefully manage the data that is collected about people, particularly when their personal, medical or financial information is involved.[7]

Moreover, as individuals increasingly provide (unwittingly or wittingly) their personal information to companies, governments, and other institutions, their notion of what constitutes personal privacy changes. Twenty years ago, the average person would have shuddered at the notion of letting a multinational corporation know where

> ## As computing power advances and systems achieve cognitive abilities that rival or even surpass humans, there will be a dramatic redefinition of the nature of work…

1 The Economist *reports: "Using the now ubiquitous platform of the smartphone to deliver labour and services in a variety of new ways will challenge many of the fundamental assumptions of 20th Century capitalism, from the nature of the firm to the structure of careers."* http://www.economist.com/news/briefing/21637355-freelance-workers-available-moments-notice-will-reshape-nature-companies-and   **2** *Geoff Colvin argues in* Fortune, *Oct. 22, 2015, that the very nature of the 21st Century corporation is being radically altered. "The big theme is the arrival of the long-heralded friction-free economy, a new world in which labor, information, and money move easily, cheaply, and almost instantly. Companies are forming starkly new, more fluid relationships with customers, workers, and owners; are rethinking the role of capital (as traditionally defined), finding they can thrive while owning less and less of it; are creating value in new ways as they reinvent R&D and marketing; and are measuring their performance by new metrics because traditional gauges no longer capture what counts."* http://fortune.com/2015/10/22/the-21st-century-corporation-new-business-models/   **3** *Clayton Christenson, the originator of the disruptive innovation concept, argues in* Harvard Business Review *that the term disruption is being overused and misused.* https://hbr.org/2015/12/what-is-disruptive-innovation   **4** *The Accenture Technology Vision 2015* https://www.accenture.com/us-en/insight-accenture-technology-vision-2015-riding-digital-era   **5** *The U.S. Department of Labor cautions that companies will have to invest in new kinds of training to deliver the types of skills that prevent workers from becoming "jobsolete." "Technology, and the skills needed to master it, are taking their rightful place on the negotiating table [in the collective bargaining process]. In some industries, such as telecommunications, the issue is not job security, but employment security and providing incumbent workers with education and training opportunities to gain the skills they need to stay ahead of the changing workplace."* http://www.dol.gov/oasam/programs/history/herman/reports/futurework/execsum.htm   **6** *IBM Chairman and CEO Ginni Rometty delivered a keynote at CES 2016 in which she detailed her company's "cognitive business" approach to unleashing the untapped potential of data. Rometty argued that 80% of the world's data is unstructured and therefore invisible and useless to enterprises. The new era of cognitive business will see companies applying artificial intelligence capabilities to do everything from streamlining supply chains to knowledge sharing between employees.* http://fortune.com/2015/10/13/ginni-rometty-cognitive-business/   **7** *According to Steve Henn writing on NPR: "The collection of personal information has become so ubiquitous that even staunch privacy advocates now say it's impossible to build a protective wall around all your personal data. Rather, they say, expectations for privacy have to be redefined."* http://www.npr.org/sections/alltechconsidered/2014/03/03/285334820/if-theres-privacy-in-the-digital-age-it-has-a-new-definition

they are at all times or have access to their personal correspondence. Today it is commonplace. This represents a changing concept of what constitutes privacy as well as differing definitions of privacy among different cohorts.[8]

- **Cybersecurity:** Businesses and governments have never been more reliant on technology and information sharing. Yet these same tools and interconnectedness make personal, business and public property more vulnerable to attack than ever before. In addition to traditional criminal networks and non-state actors, state-sponsored cyber-attacks have become more frequent. According to an April 2015 IBM report, almost every industry saw an increase in security attacks in 2014, and the average total cost of a single data breach was $3.8 million – up 23% over two years.[9] Attacks target critical infrastructure systems, consumer data, business strategy and state secrets, creating new operational and reputational risks with which private and public sectors alike have struggled to keep up.

- **New Media Environment:** The internet has irrevocably changed the ways that news is gathered, reported and consumed. Individuals are empowered to be reporters using tools like Twitter while bloggers can be just as influential as journalists, if not more so. The essential "fourth estate" role of the news media – in which it acts as public watchdog against institutions of power, including government and business – has been diminished as newsrooms are cut down or shut down. Newspaper staffs are down 40% since 2003, according to the American Society of News Editors (meaning two of every five reporters have disappeared from newsrooms).[10] Broadcast and long-form journalism have suffered similar cuts as

their business models have eroded. At the same, traditional and new media are providing blogging platforms and paid opportunities that do not hold themselves to the same "fact-checking" standards that have traditionally guided journalists. Add to that the rise of foundation-funded journalism that has a specific point of view. Many of these changes are blurring the lines between objective journalism and editorial reporting, presenting new challenges for CCOs who are responsible for managing how their enterprises are portrayed as well as ensuring that public information is accurate.[11]

Demographic & Socio-Political Trends

- **Demographic Shifts:** Enterprises currently operate in the most diverse marketplace in the history of commerce. Communities within one's own region are becoming more varied while companies are increasingly conducting business globally. Although billions of people still live in poverty or barely above it, nearly a billion people have been lifted out of poverty in the past 20 years or so.[12] The global middle class is growing rapidly and shifting its composition toward the diverse populations of the developing world.[13] To be successful, companies must understand and meet the needs of increasingly diverse employees and external stakeholders. Embracing diversity is therefore becoming a progressively important strategic imperative as business decisions and operations benefit from a diversity of thought and inclusiveness.

Another growing challenge is recruiting talent for new roles. Forecasts for the next 35 years show a slowing of population growth in a number of wealthy countries and concurrent growth in developing ones. This will force enterprises to contend

8 A report released in April 2013 by the USC Annenberg Center for the Digital Future and Bovitz Inc. found "distinct differences in online behavior and core values among Millennials (ages 18-34).")" In the Annenberg survey, Millennials reported "more willingness to allow access to their personal data or web behavior and a greater interest in cooperating with Internet businesses – as long as they receive tangible benefits in return." http://annenberg.usc.edu/news/around-usc-annenberg/online-privacy-over-findings-usc-annenberg-center-digital-future-show   **9** Source: 2015 IBM CyberSecurity Intelligence Index: http://www-03.ibm.com/security/data-breach/2015-cyber-security-index.html
10 2015 Newsroom Census conducted by American Association of News Editors - http://asne.org/content.asp?pl=140&sl=129&contentid=129   **11** The Pew Research Center's "State of the News Media 2015" details the changing ways in which news is produced and consumed, including the emergence of "native advertising" and the growth in prevalence for digital media outlets. http://www.journalism.org/2015/04/29/state-of-the-news-media-2015/   **12** This animated graph and podcast from The Economist, published on June 5, 2013, brings the global poverty statistics to life: http://www.economist.com/blogs/graphicdetail/2013/06/daily-chart-2   **13** According to the OECD, "The size of the 'global middle class' will increase from 1.8 billion in 2009 to 3.2 billion by 2020 and 4.9 billion by 2030. The bulk of this growth will come from Asia: by 2030 Asia will represent 66% of the global middle-class population and 59% of middle-class consumption..." "An emerging middle class" – OECD Observer, accessed online Jan. 14, 2016. http://www.oecdobserver.org/news/fullstory.php/aid/3681/An_emerging_middle_class.html#sthash.pTeKArbY.dpuf

> Stakeholders, including consumers, activists, investors and the general public, increasingly expect business not only to act responsibly but to actually solve global problems and create social value.

with fewer workers and an aging workforce.[14] New jobs will require significantly more education and training, and different sorts of skill sets and knowledge. At the same time, demographic shifts will have implications for public policy (immigration and related challenges) that will impact business. The growth of traditional minority populations in developed countries further underscores the need for programs, public and private alike, to support traditionally underrepresented and disadvantaged groups.

- **Geopolitical Shifts and Differing Value Systems:** The rise of authoritarian capitalism combined with gridlock and ineffectiveness in the Western democracies is creating challenges for global business enterprises. Some believe state capitalism may be emerging as a preferred economic system in developing countries, based on the perceived success of that system in China. Others believe that with economic progress will come more pressures for liberal democracy in China, Russia, the Middle East and the developing world. In the Western democracies, political polarization and slow economic growth have combined to create voter disenchantment and disenfranchisement, particularly among the middle class.[15] These realities require businesses to operate in a volatile world economy with low growth and ineffective governments, and to compete with rising global organizations that play by different rules and hold different values.

- **Enterprise as Builder of Social Value and Partner with Governments and NGOs:** Stakeholders, including consumers, activists, investors and the general public, increasingly expect businesses not only to act responsibly but to actually solve global problems and create social value. Increased expectations for accountability also drive a desire for more transparency. According to Edelman's "brandshare 2014" report, people say it is important that a company: "communicates openly and transparently about how products are sourced and made" (68%), "has a clear mission and purpose at its core" (58%), and "uses its resources to drive change in the world" (52%).[16] At the same time, it is clear that governments and NGOs alone cannot create sustainable solutions to many global problems. Collaborative approaches to both public and private opportunities and challenges are becoming more common. Not only are these partnerships occurring between government and industry, but other stakeholders such as philanthropic organizations and individuals, NGOs and a variety of international institutions are joining forces as well.

While the challenges faced by enterprises and CCOs are relatively consistent across borders, there are differing levels to which these transformative forces are having an impact in different regions and, therefore, differing levels and immediacy of response.

14 WSJ 2050: Demographic Destiny http://www.wsj.com/articles/how-demographics-rule-the-global-economy-1448203724 **15** The Economist argues: "The failure of democracies to get things done will lead to questions about other features of an open society, such as freedom of the press, free markets and relatively open borders. Populists will keep on demanding easy answers to complicated questions. On the right, immigrants will be the scapegoats and politicians will play with nationalism. For the left, the redistribution of wealth will be a big theme." http://www.economist.com/news/21631693-worries-about-democracy-will-resurface-2015-says-john-micklethwait-wests-malaise **16** Edelman brandshare 2014 http://www.edelman.com/insights/intellectual-property/brandshare-2014/

TRANSFORMATION OF THE CCO AND THE COMMUNICATIONS FUNCTION

Business is in many respects subject to the laws of Darwinian evolution, albeit driven often by innovation rather than accidental mutation. Michael Merk, who leads communications at furniture manufacturer Steelcase, explains that organizations are "complex adaptive systems" that are constantly evolving to compete within their ever-changing environment.
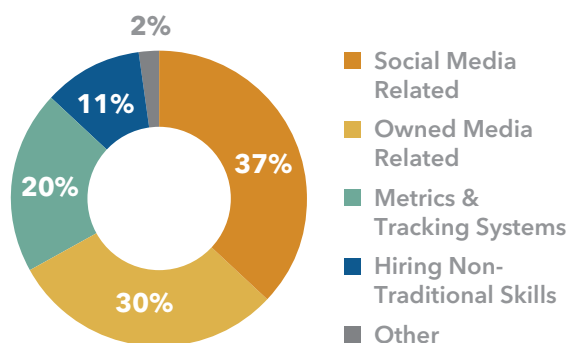
The CCO, who possesses perhaps the broadest view both inside and outside of the enterprise (save the CEO), operates as the antennae that detect, analyze and interpret environmental circumstances. Just as in nature, organizations that thrive are those most acutely attuned to the conditions of their ecosystem and best able to adapt to them in ways that yield a competitive advantage; the rest stagnate, become marginalized and eventually succumb to extinction. The CCO, as both monitor of environmental conditions and communicator across the enterprise, is necessarily at the center of much of the adaptation that takes place.

Organizational changes filter down to functional ones, and our research shows that the role of the CCO and the communications function itself are rapidly changing amid the aforementioned environmental changes. In reviewing the information collected through this research, five patterns emerged:

1. **Shifting Investments**
   CCOs are increasingly directing their resources to content-based engagement opportunities, in some cases even building their own publishing platforms. Page Jam participants were asked to identify the areas in which CCOs are most rapidly increasing their investments, responding that the fastest-growing priority areas are social and owned media followed by new measurement systems.

Areas in which CCOs are Most Rapidly Increasing Investment

- Social Media Related — 37%
- Owned Media Related — 30%
- Metrics & Tracking Systems — 20%
- Hiring Non-Traditional Skills — 11%
- Other — 2%

"We are gravitating to bigger investments in content creation and social media…it is where consumers are; it is reshaping business models."

– Mike Fernandez, Corporate VP, Corporate Affairs, Cargill

This trend can be attributed largely to the fact that enterprises are recognizing and responding to the need for new skills, approaches and forms of measurement to successfully operate in this new environment. The fragmented media landscape makes it more challenging to reach broad audiences. In response, companies are often becoming publishers, building direct relationships with stakeholders by generating engagement around compelling content and seeking to measure and improve their impact through owned channels.

2. **Increased Focus on Integration**
CCOs are working more closely than ever with their C-Suite contemporaries, co-leading on issues like diversity and corporate culture with the Chief Human Resources Officer (CHRO), marketing and sales promotion with the Chief Marketing Officer (CMO) and building digital systems in partnership with the Chief Information Officer (CIO).

According to the Page Jam, CCOs say their collaboration with C-Suite colleagues is up 32% from five years ago (based on subjective assessments of the degree to which respondents perceive a change in their collaboration with peers). Engagement increased most with the CIO (44%

Increased CCO Engagement with C-Suite Colleagues

CIO	44%
COO	39%
CMO	33%

rise compared to five years ago), which illustrates the increasing degree to which CCOs are leveraging digital and mobile platforms to engage stakeholders.

Within Communications, CCOs widely reported efforts to achieve cross-functional integration, become agile and draw on key planning disciplines.

Today's communications teams are composed, organized and deployed in increasingly non-traditional and varied ways so that they are positioned to work across the enterprise and empowered to act independently, which is becoming ever-more essential given the pace of business.

3. **Creation of New Job Roles**
New methods for devising and executing engagement strategies are creating the need to add employees with new skill sets and responsibilities. In the Page Jam and follow-up interviews, CCOs identified new roles such as content and engagement designer, web DJ, digital strategist, behavioral scientist and culture czar. (See Appendix 2 for a more complete list of some of the new roles identified through the Page Jam.)

CCOs must also function as an attractor, builder and distributor of talent across the organization. The CCO's ability to cultivate and disseminate talent strategically, in ways that fully leverage the collective capabilities of the communications function, address core business needs and further organizational goals, is an emerging expectation of the CCO that has become even more critical given the dynamic environment in which we now operate.

Serving Up Fresh Content Daily

Higher education is in the crosshairs of a national conversation that includes tough questions about the relevance of a liberal arts education, whether or not online degrees are worthwhile and who should pay to educate our nation's students. These questions, coupled with a dramatic shift in the funding model for public universities, make it more important than ever for universities to articulate their value and mission. In order to do this at UC Berkeley, the Office of Communications and Public Affairs undertook a rebranding of the university that also included a redesign of the homepage.

As UC Berkeley's Marketing Manager and Web DJ, Avi Martin's role can be described as "curator of content." With the constant stream of content that exists online, it becomes more important to filter out the noise and find a way to tell compelling and engaging stories. Martin reads, watches and sifts through the stories that are generated from units across the university, finds the ones that articulate the pillars of the Berkeley brand and "spins" them on the university homepage. She also reimagines existing content for use on the web – turning long-form history into an interactive timeline, culling through old yearbooks to create photo slideshows and reading through essays and interviews to pull inspirational quote blocks. "We want anyone who visits our website, anytime they visit, to be amazed at the scale, scope, diversity and excellence of our work and our people," Martin said.

In a role like this, it's useful to have a combination of skills: an editorial sense, an understanding of the

Avi Martin, UC Berkeley's Marketing Manager and Web DJ

pillars of the brand and where the brand is going, good photo research skills and a healthy dose of creativity. If your organization is siloed, it is also essential to have a lay of the land and know where, how often and to whom to look for new content.

"I'm incredibly lucky to work for Berkeley. Not only do we provide a world-class education to people from all walks of life, but we also conduct research for the public good," adds Martin. "We have an embarrassment of riches, and I love reading about the passion of our students and faculty, and doing what I can to share that with our audiences."

4. **New Partnerships**
CCOs are increasingly supplementing their in-house capabilities with external expertise in areas like behavioral economics, data analytics and content creation. Eighty-three percent of CCOs participating in the Page Jam said they are working with new types of agencies and partners, and in different ways, than they were five years ago.

For example, as companies develop their own publishing platforms there is a corresponding need to understand the types of content that will resonate with different constituencies, develop and deliver it effectively, assess the social engagement that it produces and apply data analysis that informs improvement. Many PR agencies are expanding their capabilities to include these services, and firms that specialize in these areas are increasingly being called upon for their expertise.

"From an agency perspective, we're hiring people with art, creative, programming, planning, analytic and many diverse backgrounds," said Gary

> **"CEOs are asking the CCO to measure more, and digital is making that measurement and analysis possible."**
>
> **– Bill Heyman, President, Founder and CEO, Heyman Associates**

Sheffer, former VP, Strategic Communications for General Electric. Enterprises are also forging new partnerships that allow them to better navigate new and rapidly changing social and environmental challenges. Through collaboration with NGOs on issues like sustainability, human rights, animal welfare, economic equality and public health, CCOs are building lasting relationships that unlock new avenues for progress.

5. **New Measurements and KPIs**
   Data-driven platforms are empowering CCOs with new methods and metrics by which to evaluate the business results being delivered by the communications function. Ninety-three percent of CCOs in the Page Jam said that their Key Performance Indicators (KPIs) are significantly different today than they were three to five years ago.

Employee Engagement Matters

A 2013 study conducted by Gallup showed that companies with the highest levels of employee engagement outperformed their lower-engaged counterparts by 10% in customer ratings, 22% in profitability and 21% in productivity.[17] Towers Perrin reports that companies with engaged workers have 6% higher net profit margins, and according to Kenexa research, engaged companies have five times higher shareholder returns over five years.

In 2014, the Institute for Public Relations (IPR) released a study that looked at the best in class practices in employee communication, finding that measuring employee engagement was identified as one of the key practices that leaders credit for their success in effectively communicating to employees across large, multi-national, often matrixed organizations.[18]

IPR also launched the initial results of its study on "organizational clarity" in November 2015, with the term being defined as "the comprehension an individual employee has about the organization, and its vision, purpose, mission, strategy, opportunities,

challenges, priorities, and competitive reality."[19] IPR's organizational clarity model holds that enterprise success is correlated with the degree to which employees understand their marketplace through the lens of their company's strategy. Without such clarity, organizations struggle to successfully implement strategy, innovate more quickly, and effectively improve employee engagement, especially in terms of enabling employees to fully comprehend the current state of the business and their role in it.

The full results of the organizational clarity study, to be released in 2016, will present structural dynamics underpinning how employee engagement can be managed in the modern workplace and how drawing a line of sight between individual employees' jobs and the marketplace, against the backdrop of the company's strategy, results in a clear picture from which to achieve organizational success. This work relates to and reinforces the corporate character concept in the Page Model, which holds that enterprises must define, align and activate a clear mission, values, culture, business model and strategy.

17 *How Employee Engagement Drives Growth – Gallup, June 30, 2013 -* http://www.gallup.com/businessjournal/163130/employee-engagement-drives-growth.aspx **18** *What Does Good Look Like? A Quantitative Perspective on Best-in-Class Practices in Employee Communication – Institute for Public Relations, July 13, 2014 -* http://www.instituteforpr.org/good-look-like-quantitative-perspective-best-class-practices-employee-communication/ **19** *Organizational Clarity: The Case for Workforce Alignment and Belief – Institute for Public Relations, November 2015 -* http://www.instituteforpr.org/wp-content/uploads/OrgClarity_-The-Case-for-Workforce-Alignment-and-Belief-.pdf

Beyond simply counting retweets, mentions and "likes," CCOs are embracing a host of new metrics, such as:

- **Employee Engagement:** According to Kevin Kruse writing in *Forbes*, employee engagement is "the emotional commitment the employee has to the organization and its goals."[20] Employee engagement doesn't equate to "employee happiness" or "employee satisfaction," although these can be the byproducts of effective employee engagement efforts. Often, employee engagement is measured by surveys, social communities, focus groups and anecdotal feedback. Empirical behavior is also a measurable indicator. For instance, tracking the amount of work that occurs outside of normal working hours is an indicator of discretionary effort that suggests an engaged employee.[21]

- **Net Promoter Score:** Measures the degree to which customers are willing to recommend a product or brand to another person, signaling the customer's loyalty to and satisfaction with the company. This customer metric was developed by Fred Reichheld, Bain & Company, and Satmetrix.

- **Social Influence:** Measures how much one person's behavior changes because of another person's behavior. According to a 2015 report by McKinsey & Company, recommendations via social media

induced an average of 26% of purchases across all product categories, and two-thirds of this impact was *direct*, meaning that the recommendation of others played a critical role at the point of purchase.[22]

- **Likelihood to Act:** Indicates the chances that the people we want to engage and serve will take action (seek more information, purchase a new product/service, etc.) based on their past behavior, beliefs and propensities.

Looking at these patterns holistically, we can begin to understand the changes taking place around the CCO and the communications function. Organizations are becoming publishers and directing more dollars and people toward creating and distributing content directly to stakeholders. They are investing in social media and building systems of engagement to create authentic relationships with individuals – inside and outside the organization. They are creating a host of new jobs, programs and partnerships. The CCO is consequently spending more time with the CIO, building the digital capabilities and platforms that will deliver the new content and produce the types of engagement that reinforce the brand and deliver real business value, which are in turn measured using a growing and changing list of metrics and KPIs.

20 *What is Employee Engagement* – Forbes, *June 22, 2012* - http://www.forbes.com/sites/kevinkruse/2012/06/22/employee-engagement-what-and-why/ **21** *"A Primer on Measuring Employee Engagement,"* – Harvard Business Review, *November 17, 2014* - https://hbr.org/2014/11/a-primer-on-measuring-employee-engagement **22** *Getting a Sharper Picture of Social Media's Influence* – McKinsey & Company (2015) http://www.mckinsey.com/insights/marketing_sales/getting_a_sharper_picture_of_social_medias_influence

THREE EXPECTED ROLES FOR THE NEW CCO

Having evaluated the implications of the new emerging trends for the enterprise and the role of the CCO, and having analyzed the changes reported by Page members as described in the previous section, we considered how the role of the CCO is changing.

We have concluded that all of these patterns round up to what we believe are the three fundamental roles in which the CCO of today, and increasingly of tomorrow, will serve:

1. **The Foundational CCO:** This comprises the role that we described in *The Authentic Enterprise* and *Building Belief* – the CCO as a strategic leader and counselor to the enterprise, capable of leading and advising with a broad stakeholder view in mind – which is becoming increasingly vital.

2. **The CCO as Integrator:** This growing role describes how CCOs are breaking silos and emerging as leaders of and participants in cross-functional collaboration, within the enterprise and across the C-Suite.

3. **The CCO as Builder of Digital Engagement Systems:** This describes the CCO's emerging imperative, and opportunity, to devise and implement sophisticated enterprise-wide digital systems and dedicated processes for managing engagement with stakeholders at all levels, internally and externally. This includes establishing an ability to better engage constituencies as individuals, both via social technologies and in face-to-face encounters, primarily through the application of insights derived from data.

CCOs who are able to serve in all these roles simultaneously will be well positioned to help their enterprises build and defend brand and reputation through deep, meaningful and lasting stakeholder engagement.

"If communications officers want a seat at the table when decisions are being made…we must be more than just storytellers. We must also understand and be able to provide context on the industry, the organization and the relevant challenges and goals."

– Susan Kahn, Former SVP, Communications and Reputation Management, Target Corporation

Role One: The Foundational CCO

The role of the CCO has become much more central to the success of the enterprise as this era of hyper-connectivity, radical transparency and stakeholder activism has increasingly challenged the ability of the enterprise to build and defend brand and reputation. This foundational component of the role not only remains contemporary and essential, but is in fact even more critical in today's environment as a result of the changing demands and empowerment of stakeholders. A positive reputation has always been a central element of sustained business success, and the CCO is the chief minder of reputation and the driving force behind its protection. But today, the job of building stakeholder relationships is more challenging than ever before. Through social media, employees can organize, consumers can critique, citizens can report, and activists can mobilize coordinated advocacy. Managing this new reality requires

a CCO who is a strong leader in ensuring that a company's actions match its intentions and its message, that it behaves responsibly and openly, and that it is responsive to the interests of all stakeholders.

The CCO has become not only a central actor in leading stakeholder engagement and reputation management strategies but also a leader in building corporate character and advising on key business strategies. Today's companies operate in an increasingly diverse marketplace with a multitude of stakeholder cultures, ideologies, experiences, expectations, interests and actions. C-Suites can never be fully representative of the composition of diverse stakeholder groups (although they can certainly be more so), which underscores the need for a leader who is cognizant of those important distinctions and ensures the enterprise is responsive to them. Achieving greater diversity and inclusion is not only important because there is an ethical obligation to do so out of respect for the distinct opinions and interests of stakeholders, but also because diversity of viewpoints makes an enterprise stronger and more competitive in the long run.

Today's CCOs Wear Many Hats

In April 2014, General Electric's VP of Strategic Communications, Gary Sheffer, was hunkered down in a "war room" in Paris, working with his team to hammer out the company's acquisition of the energy businesses of France's Alstom SA. Both companies supported the deal, which was to be the largest industrial acquisition in GE's 123-year history. But the French government was initially opposed, and more than 20 countries and regions, as well as labor unions, needed to provide approval for the deal to happen.

Earning this critical support required savvy diplomacy and a thorough knowledge of the dynamics of the deal and the people who would be affected. When the acquisition was completed in November of that year, GE's chairman and CEO Jeff Immelt credited the communications team for successfully anticipating cultural and political issues, and engaging a diverse set of stakeholders throughout the process.

Sheffer sees the Alstom deal as an example of how his role changed substantially since joining GE in 1999. Initially, his responsibilities were focused more on managing the news media and the CEO, Jack Welch, who was the sole spokesperson for the company. Over time, Sheffer became a full strategic partner on everything from culture to deal making to public policy.

"One of my key assignments at GE was to help remake the company's culture, which we did with GE Works, Ecomagination, and later around efforts to simplify GE," Sheffer says. "That is still a major area of focus for communications, but we're also engaged in so many other areas. One day I may be contending with the global challenges of doing business in Russia or China, or how to build brand awareness and reputation in a key market like Saudi Arabia by partnering with the government on women's health. The next I'm answering to the media and investors about how market volatility is affecting the company's stock. And the next, I'm dealing with a renegotiated labor agreement, or the divesting of the company's financial division. The diversity of issues that today's CCOs are expected to help lead is greater than ever. This requires CCOs to have a broader lens and more depth on the issues that can affect the success of the company."

Gary Sheffer, VP of Strategic Communications, General Electric

**Areas of Expertise Indicated by Page Jam Participants
(Frequency of Selection)**

Legend: Traditional (gold), Emerging (green)

Category	Value
Corporate reputation	162
Internal communication	145
Crisis management	137
External relations	124
Corporate branding	115
Corporate responsibility	90
Corporate character	75
Corporate/org identity	60
Social media	57
Experience creation	23
Investor relations	21
Org design	19
Behavioral science	17
Data analytics	17
Publishing and developing	10
Resource allocation	7
Systems design	2

This necessitates, more than ever, a CCO who is a strategic counselor to the enterprise. As we noted in *The CEO View* (2013): "More CCOs report directly to their CEO than they did in 2007. And, more are on their company's executive committee, where most major strategic decisions are made, especially at many larger companies. This definitely does not mean that CCOs have left the communications portfolio behind, but rather that, in 2013, the communications portfolio of many companies has become a crucial factor in decision making at every level."

A 2015 Korn Ferry Institute survey of Fortune 500 companies examining how CCO roles are evolving reports that "nearly all respondents (more than 91%) identified 'providing leadership on reputation, values, and culture' across the enterprise" as receiving more attention and effort today. This overarching responsibility requires CCOs to build relationships across a greater number of constituents, internally and externally, to ensure engagement and dialog – not just one-way communications from the enterprise."[23]

The findings of our research also corroborate those of the 2014 Spencer Stuart survey, "The Rising CCO V," in which respondents identified roles and responsibilities in six priority areas: reputation and brand management; change management; corporate

communications; culture and corporate character; supporting key business objectives; and providing strategic advice and counsel.[24]

In the Page Jam registration, participants were able to choose up to five topics from a list to indicate their areas of expertise, which can roughly be divided into "traditional" and "emerging." Among this group, foundational areas of expertise dominated emerging ones by a 6 to 1 ratio.

Based upon the Page Jam insights and follow-up research, we have distilled the foundational role of the CCO into three key areas:

- **Strategic business leader and counselor:** The C-Suite executives we interviewed affirmed that Communications has a uniquely broad view of the enterprise and its environment – from customers, to marketplace competition, to the media, to policy discussions, to shifting social priorities, to reputation vulnerabilities. With this sweeping vantage point, enterprise leadership expects Communications to help the organization identify, interpret and act upon changes in the external environment; stay steps ahead of events by monitoring traditional and social media; engage with regulators, policymakers, IGOs and NGOs; and

23 *The Chief Communications Officer: Survey and Findings among the Fortune 500 - Korn Ferry, Institute (2015).* http://www.kornferry.com/institute/the-chief-communications-officer-2015-survey-and-findings-among-the-fortune-500 **24** *The Rising CCO V: Chief Communications Officers' Perspectives on a Changing Media Environment - Spencer Stuart (2014).* https://www.spencerstuart.com/research-and-insight/the-rising-cco-v

> **"The CEO and the CCO have a unique relationship; total trust, very intimate, in it together, buy-in on the mission…their relationship is closer to the CCO than any other person on the staff, and as a result they know more about what's going on."**
>
> **– Jack Welch, Former CEO, GE**

build meaningful, trusting and lasting relationships with stakeholders rooted in a genuine understanding of their interests.

Ninety-two percent of Page Jam poll respondents said that CEOs rely on CCOs for their thinking to a greater degree today than in the past. At the Page Society Spring Seminar held in New York in April 2015, former GE Chairman and CEO Jack Welch articulated the importance of the CCO as a strategic and valued advisor, offering "authentic truth-telling" and fostering an environment of "truth and trust" ([video](#)).

Reidar Gjærum, SVP, Corporate Communications for Statoil, noted in a 2015 Page Society Insight Forum held in Leverkusen, Germany, that the CCO of today is responsible for "interpreting society and the company's place in it." Expressing a similar perspective, Christof Ehrhart, EVP, Corporate Communications and Responsibility for Deutsche Post DHL Group, describes the contemporary role of the CCO as "no longer explaining the company to the world, but rather explaining the world to the company."

- **Steward of enterprise reputation:** Defining and activating corporate character, according to the Page Model, is an essential prerequisite to earning

> **"The future CCO must take ownership of reputation and function of corporate character, bringing to the table an understanding of and commitment to authentic, transparent communications."**
>
> **– Bob DeFillippo, CCO, Prudential Financial, Inc. (Retired)**

the trust from the public that grants enterprises the social license to operate. The CCO ensures that the company's actions match its rhetoric, that values are practiced and not merely preached, and that the company is behaving responsibly, transparently and with the interests of all stakeholders in mind. As Arthur W. Page famously said, "Public relations is 90 percent doing and 10 percent talking about it." This role has long been linked to acting as a "conscience counselor" in the organization to protect long-term reputation.

> **"Communications team members must have the skill, knowledge and expertise to understand the vision of where we need to go and the ability to communicate that."**
>
> **– Mike Murphy, CEO, Sharp HealthCare**

- **Effective communicator:** Being able to execute business strategy requires effective, coordinated communications combined with keen strategic insight. The work of telling a brand's story or enabling others to tell theirs, describing company actions and policies and their rationale, identifying the stakeholders with whom the enterprise must engage in order to operate – all of it demands competency as an effective communicator. With the proliferation of digital channels and the more indirect influence that enterprises have in shaping perceptions, communicating honestly and effectively about the enterprise to key constituencies becomes even more crucial. Thus, the nature of the work that CCOs do – effectively and compellingly telling the truth – endures, even as the tactics that are used – social, digital, content publishing – are being transformed.

Building Trust Through Strategic Partnerships

The full spectrum and urgency of the CCO's foundational role was clearly demonstrated when farmers supplying Cargill with soy were accused of destroying animal habitats and contributing to deforestation of the Amazon rainforest. It was up to Cargill to prove that it was sourcing soy from existing farms and that its farmers weren't putting the Amazon biome at risk.

Cargill, working with critics and non-governmental organizations (NGOs) through a process akin to the Page Model, made a commitment that it would not source soy from farmers who cut down trees, burned forests or in other ways impacted vegetation and deforestation. Cargill helped initiate what would become known as the Soy Moratorium to apply the same standard to all producers. Members of two trade groups, ABIOVE and ANEC, and a number of NGOs – The Nature Conservancy, World Wildlife Fund, Greenpeace, Conservation International and the Instituto de Pesquisa Ambiental da Amazônia – have been party to the Moratorium. To build a greater level of trust and belief in Cargill's commitment to the system, and to ensure that farmers were in compliance with the Moratorium, Cargill deployed satellite imagery and directly reported the data to the NGOs.

"At Cargill, geopolitical dynamics have become increasingly important and because of the many trade flows we operate in, there are days when it seems our name should be 'Issues 'R' Us,'" explained Mike Fernandez, Corporate Vice President, Corporate Affairs at Cargill. In order to minimize these crisis communications situations, the Cargill communications and corporate social responsibility (CSR) teams regularly engage with influential NGOs and policymakers. Cargill not only actively shares how the company is delivering products that are sustainable, but also keeps a dialogue with the NGOs who help influence the future state of the business. As a result, some of Cargill's most ardent critics have become its strongest allies.

The notion of what today's CCO does, at its core, isn't simply about communications. It is about getting our hands dirty and embracing the notion of

Mike Fernandez, Corporate VP, Corporate Affairs at Cargill

engaging with stakeholders in a new way to advance the business and build its reputation.

"We talk about engaging and positively shaping the environments in which the company operates," said Fernandez. "That has moved the function from being not just a group of communicators, but of business strategists and problem solvers. So my performance discussions get into topics like access to specific markets, customer relationships, the state of relationships with NGOs and public policy makers, thought leadership on food security and responsible supply chains and environmental stewardship, and how we are helping navigate the company through the thicket of fragmented globalization, hyper-connectivity and an assortment of specific business challenges, in addition to traditional discussions of communications impact."

> **"In my experience, those CCOs who have very strategic roles within an organization naturally act as the integration chief. They have the ability to look out across the entire organization, within businesses and across other functions, to understand goals and integrate messaging and activities. Reporting structure rarely matters here. What matters is getting parties to the table to work well together and see the value of integration."**
>
> **– Leah Johnson, CEO, LCJ Solutions LLC**

While this foundational role has long been central to the remit of the CCO – and is, indeed, the way the job is conventionally understood – we have found that it has actually increased in scope and importance. The changes described herein compound the need for a strong CCO who understands the business and the forces affecting it; the diverse stakeholders impacted by the business and how to build relationships with them; and the dynamics of earning and maintaining the public's trust. Most importantly, the CCO must be a vocal, compelling and trusted counselor to leadership, capable of guiding the enterprise on all of these fronts and articulating the consequences of failing to do so. Sound judgment, strong interpersonal skills, business and policy acumen, collaborative nature, diplomacy, cultural and social insight, and rhetorical prowess are only a few characteristics that are essential for CCOs.

Role Two: The CCO as Integrator

One of our hypotheses going into this research was that we would see new organizational structures emerging, with particular focus on the relative positions of Communications and Marketing. We instead discovered a more important emerging recognition that formal structure and ownership matter less than the CCO's ability to drive cross-functional collaboration and integration around strategic priorities. Indeed, as noted earlier, engagement by the CCO with other C-Suite members is growing in regularity and importance.

- **CIO:** The proliferation of digital channels for communicating and conducting business has elevated the CIO to a more essential leadership role, and the need to align those systems with Communications has seen the CCO and CIO work more closely together on topics ranging from preparing for/responding to data security vulnerabilities to implementing digital engagement platforms. The growth of digital channels and data have moved the role of the CIO and Chief Technology Officer (CTO) to be more focused on business strategy and organizational transformation. CIOs are now more connected to communication initiatives, and demand for increasingly personalized services and experiences is strengthening this connection.

- **CHRO:** The CHRO often leads or co-leads with the CCO efforts to develop and activate corporate culture and manage policies related to employee communications.[25] At a roundtable conversation organized by the Page Society, PR Council and HR Policy Association on September 9, 2015, communications and HR leaders described three ways in which the CCO and CHRO are working more collaboratively. First, companies are more focused on establishing and activating corporate culture, engaging employees around the mission and empowering them to have an active voice and role in the management of the company. Second, the CCO and CHRO are collaborating on engaging employees in real action that delivers social value as well as communicating the social purpose of the organization. Finally, companies recognize that attracting and retaining top talent requires a social media strategy that inspires both current and prospective employees to believe in the mission and cultivate a desire to take part in achieving it.

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25 *The Page Society's 2013 report,* Corporate Character: How Leading Companies Are Defining, Activating & Aligning Values, *found that in 24 of the 25 Fortune 50 companies interviewed, values had recently been or were in the process of being reviewed or revised. Approaches varied, but in most cases CCOs and CHROs worked closely together, usually with the CEO and other C-Suite executives, to define and activate values across the enterprise.*

Ellen Fitzsimmons, Executive Vice President of Law and Public Affairs, General Counsel and Corporate Secretary, CSX

- **CLO:** General Counsel (GCs) and Chief Legal Officers (CLOs) historically work closely with CCOs on the legal aspects of communications issues. The best of them are eager to help the CCO frame public communications that are forthright and honest while avoiding undue exposure to litigation risk. Increasingly, the most enlightened and effective CLOs/GCs not only manage legal risk but also understand the need to partner closely with the CCO to establish mutually respectful and beneficial relationships with stakeholders. Ellen Fitzsimmons, Executive Vice President of Law and Public Affairs, General Counsel and Corporate Secretary at transportation supplier CSX, spoke at a 2015 Page Society Insight Forum about the vital importance of building a positive reputation and strong community relationships, which can be critical in avoiding legal conflict, thereby easing the completion of projects and reducing costs.

- **CMO:** Much has been discussed and written about the convergence of Communications and Marketing, but we did not see clear patterns of combination or predominance between the

functions.[26] Both the CCO and the CMO continue to be distinctly important to most enterprises, and are being more closely coordinated through a variety of approaches.

However, there is more collaboration between the two functions, particularly as paid, earned and owned media are increasingly interrelated in the social media realm and as companies elevate social purpose to a more integral component of their business strategy and brand identity. There are often shades of gray on the latter, as CCOs increasingly work on aligning social purpose with the enterprise's mission, brand and values. In some cases, CMOs retain brand management responsibility, albeit with coordination with the CCO. In others, the CMO may relinquish aspects of brand management to the CCO. The chosen approach is often guided by the degree to which social purpose is central to the ethos of the enterprise and how directly this is tied to performance in the marketplace. Enterprises whose success is determined by both marketplace performance *and* tying that performance to the social impact of the enterprise may choose a more collaborative approach between the CCO and CMO, if not task the CCO with brand management entirely, adopting cross-functional approaches that previously would have resided exclusively in the purview of the CMO.

While collaboration is essential, this connection does not necessarily mean that the Communications and Marketing functions must be combined organizationally. In fact, the preservation of the distinctions between the two is critically important. And the unique capabilities of the two functions must be preserved and honored even as the two work ever more closely together.[27] This requires open and honest relationships that recognize the value that each function brings to the success of the enterprise.

Whatever approach an organization chooses, our research suggests the following guiding principles:

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26 *The Korn Ferry Institute found that "In the 2014-15 US survey, 12% of respondents reported to the chief marketing officer, roughly equal to the year-ago period."* http://www.kornferry.com/institute/the-chief-communications-officer-2015-survey-and-findings-among-the-fortune-500 **27** *One astute observer, Paul Holmes, said in 2013 that he believes the two functions are coming closer together. His analysis is worth a read, although we believe that his predictions are far from inevitable.* http://www.holmesreport.com/long-reads/article/is-the-cco-an-endangered-species-

The Intersection Of Business Strategy, Brand And Social Purpose

For several years now, Starbucks Chairman and CEO Howard Schultz has asked the following question: "What is the role and responsibility of a for-profit, public company?" Starbucks has strived to answer this question as succinctly as possible by honoring the company's ethos that "partners" (the term the company uses for its employees) come first in terms of taking care of Starbucks' own so that they, in turn, can take care of customers around the world. This ethos is manifested in four key guiding principles:

- Inclusion and opportunity through employment;

- Sustainability through global supply chain and store footprint;

- Nutritional improvement through product excellence; and

- Social activism through public conversations.

Starbucks' leadership in creating equality and opportunity continues to be strong, as initiatives related to youth are already producing measurable results and are fully owned by line leaders. These efforts include a commitment to:

- Hiring 10,000 young adults ages 16-24 currently not in employment or school (of which there are nearly 5.6 million in the U.S. alone);

- Hiring 10,000 veterans (nearly 6,000 of which have been hired to date); and

- College achievement, with more than 5,000 partners now enrolled in the Starbucks College Achievement Plan, with full tuition reimbursement in undergraduate degree programs offered through Arizona State University).

The company has demonstrated leadership in sustainability through its coffee supply chain (99% sustainable as it purchases 3% of the world's coffee, overall) and noteworthy progress through green building efforts via its stores (more than 750 LEED-certified buildings in 20 countries across all three regions in which it operates, more than any other retailer in the world). The company's efforts to improve the nutritional value of its food and beverage offerings have resulted in commitments including reducing its sugar content 25% by 2020, while conversations around important topics such as racial inequality, using the company's scale for good and the importance of citizenship over partisanship, have helped to raise awareness and create platforms for discussion at the highest level across the U.S. and worldwide.

Just as Starbucks has taken careful stock of the company's strategies for growth, it has also deliberately outlined its strategic pillars around intrinsic social impact. And yet there is more the company can and will do to advance its social agenda, driving ownership and accountability deep into the business' P&L while expanding its ambition to do more in this arena worldwide.

"Collaborating with marketing and category leadership ensures that the Starbucks brand and approach presents an integrated view of the company as one capable of leading marketplace performance while executing its business through the lens of humanity," said Corey duBrowa, Starbucks SVP of Global Communications in discussing the company's 45-year journey toward striking a balance between marketplace performance and social impact.

Corey duBrowa, SVP of Global Communications, Starbucks

The new model of leadership that is emerging today…is not about organizational structure or "ownership," but rather how to effectively share enterprise-level responsibility for the organization's actual behavior.

- The CCO must have a direct working relationship (if not reporting relationship) with the CEO and a peer relationship with the C-Suite.

- The CCO, CIO, CHRO, CMO, Chief Financial Officer (CFO) and General Counsel and leaders of supply chain, security and other functions must collaborate closely – not only on engaging with stakeholders but also in defining and activating corporate character, ensuring that enterprise actions are governed by an agreed-upon set of behaviors guided by a clear purpose and values.

- The CCO should have responsibility – working closely with HR and line functions – for implementing systems that allow for the effective management of stakeholder engagement through social media and other means, including setting standards and providing training for employees and delivering content with which all stakeholders can engage.

Given all this, it is evident that the CCO must be effective within the enterprise as an integrator of key initiatives related to stakeholder engagement. The new model of leadership that is emerging today – for the CCO, for all members of the C-Suite, for CEOs and for Boards of Directors – is not about organizational structure or "ownership," but rather how to effectively share enterprise-level responsibility for the organization's actual behavior.

The most immediate driver of this shift is the imperative of consistent action and communication across the enterprise and with all stakeholders, which ultimately fosters enterprise authenticity. One way
to achieve this consistency is to have all such responsibility centered in one executive. Indeed, some CCOs have formal responsibility for engaging multiple constituents – media, government, investors, analysts and more. Global brewer Heineken takes this approach. At Heineken, a common strategic framework – based around core purpose, key priorities and

focused KPIs – connects global, regional and in-market teams and recognizes the symbiotic nature of stakeholder relationships, enabling markets to build locally relevant, integrated programs. "Wherever we operate, our teams' purpose is to build reputation and facilitate positive conditions for growth," said Sean O'Neill, the company's Chief Corporate Relations Officer. "In our industry, with our challenges, we cannot deliver this purpose without taking an outside-in approach, thinking and acting holistically. Our stakeholders are now too interconnected and interdependent for that, and the benefits of having integrated teams and programming are too big to ignore."

Sean O'Neill, Chief Corporate Relations Officer, Heineken

It is clear that the best approach for any given organization depends on its culture and history, its market (e.g., business-to-business or business-to-consumer) and regional differences in regulation and culture. Most CCOs believe that whatever formal structure is applied within an organization, the future will require more ad hoc, fluid approaches requiring coordination, collaboration and strategic integration skills. For example, Sharp HealthCare, a not-for-profit integrated regional health care delivery system in San Diego, seeks to build "Sharp Experience" stories across traditional, social and digital communications

Agile: A New Way To Structure Teams And Their Work

CCOs are finding that their functions' work practices must become "agile" when it comes to working across functions. Originally a methodology for software development, the Agile approach is an alternative to traditional project management that helps teams work iteratively through a series of short time-boxes of work (approximately two weeks each), with daily checkpoints to validate and reassess progress and ensure continual alignment with the goal. People work in self-managed, often co-located and multi-disciplinary teams that have the autonomy to make decisions based on the user's needs and to respond to unpredictability. In the past few years, Agile has expanded to become known as a new way of working across many functions, with a focus on end-user requirements using rapid iterative development and prototyping.

To use Agile, professionals need to develop new behaviors and a new mindset that can generate real cultural change. Three core principles of Agile can be applied across all professions:

1. Begin with clarity about the outcome, and let it guide every step along the way.

2. Listen, iterate, learn and course-correct rather than wait until it's perfect.

3. Encourage self-direction for teams to unleash innovation, instead of concentrating decision-making in the hands of a select few.

General Stan McChrystal, who spoke at the Page Society Annual Conference in September 2015 (video), describes in his book, *Team of Teams*, a similar approach to "empowered execution in an organization – pushing decision making and owner-ship to the right level for every action."[28] McChrystal says he does not offer checklists or a "how to" manual, but he argues that these four qualities are required for organizations to succeed in the new environment:

1. Trust

2. Common purpose

3. Shared consciousness

4. Empowered execution

"Efficiency, once the sole icon on the hill, must make room for adaptability in structures, processes, and mind-sets that is often uncomfortable."

– Gen. Stan McChrystal

Renowned consultant Jon Katzenbach's *Wisdom of Teams* offers six "team basics" to creating successful teams[29]:

1. Small number

2. Complementary skills

3. Common purpose

4. Common set of specific performance goals

5. Commonly agreed working approach

6. Mutual accountability

These approaches, outlined in the Agile Methodology,[30] *Team of Teams* and *Wisdom of Teams*, are fully consistent with the Page Model's concept of corporate character, which holds that organizations succeed when every member under-stands purpose, culture and business model, and acts accordingly in an engaged and empowered way.

General Stan McChrystal

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28 *Team of Teams – New Rules of Engagement for a Complex World – Gen. Stanley McChrystal, copyright 2015, Penguin Publishing Group.* **29** *Wisdom of Teams – Jon R. Katzenbach and Douglas K. Smith, copyright 1993, 1999, 2003, Harvard Business School Press.* **30** *Source: http://www.agilemethodology.org*

> **"Systems of engagement are now a feature of the culture. It's no longer about sending out one-way, static memos. Now it's a video blog, questions, comments, dialogue… we are now in the realm of problem-solving as a partner."**
>
> **– Diane Gherson, CHRO, IBM**

channels. It does so through a special multidisciplinary team with experts in public relations, digital content creation for the web and social media, video, search engine optimization, advertising and design. The team meets daily to consider how constituents want to consume information and how best to build content customized for each channel to engage constituents with stories that are unique to the company. The team also meets with IT professionals to discuss the web portal, digital platforms, and cybersecurity. "We have interdependent teams that are no longer siloed but willing to cross functions to meet the need. We have to be nimble and agile," said Diane Gage Lofgren, the company's SVP, Marketing and Communications.

In the healthcare industry, privacy – especially patient data privacy – is highly regulated through the Health Insurance Portability and Accountability Act (HIPAA) and there is no doubt that the rise of social media has made privacy compliance more challenging.

SCL Health, a nonprofit healthcare system based in Colorado, ran into compliance issues when employees unwittingly violated privacy laws by sharing patient photos and information on social media. Chris Woolsey, SVP and Chief Communications and Marketing Officer of SCL Health, decided the organization needed a new strategy that would allow for social media engagement under HIPAA regulations. She pitched the idea of an updated employee social media policy to her C-Suite peers during the CEO's management team meeting, articulating the benefits that social media would play in employee engagement, brand loyalty and peer-to-peer marketing. The plan would require partnership with the CIO (on firewall systems that prevented employees from using social media on the organization's computer network), CLO (on the policy itself), CHRO (on educating employees about the policy) and others. SCL Health has since

created accounts on major social media sites like Facebook and Twitter, and is developing a plan and timeline for adjusting its firewall security to enable greater engagement through external channels.

Role Three: The CCO as Builder of Digital Engagement Systems

The most significant shifts in the communications landscape over the past three years have not been a difference in kind, but in degree. Specifically, our research reveals a dramatic acceleration in the empowerment of individuals through social and mobile technologies, and a consequent acceleration of the emerging need for transparency described in *The Authentic Enterprise*.

Interestingly, CCOs recognize that this shift requires much more than simply ramping up in social media, although these investments and approaches are changing. A report by Altimeter Group, *The 2015 State of Social Business*, shows that 38% of organizations plan to spend more than 20% of their advertising budgets on social media channels, up from 13% the previous year, and 55% said that developing an integrated digital content strategy is a top social business priority.[31] Important as that is, nearly equal importance in our research was placed on the development of "owned media" capabilities, with the creation of new metrics running a strong third.

The results of the Page Jam, qualitative research and literature reviews lead to a framework for the newest – and arguably most challenging – role of the 21st century CCO: engaging with individuals to build advocacy at scale.

Unlike the CCO's traditional roles and skill sets, which rely on *professional expertise and judgment*; or the emerging role of integrator, which requires *collaborative and social skills*, this third role requires something

31 The 2015 State of Social Business: Priorities Shift from Scaling to Integrating (2015) – Altimeter Group. http://www.altimetergroup.com/2015/07/new-research-the-2015-state-of-social-business-priorities-shift-from-scaling-to-integrating/

Integrated Approaches to Managing Enterprise Risk and Responsibilty

As communicators, we know that there is a three-level hierarchy of value that we deliver within our companies. It begins at the first, most basic level with helping our company "say it." This is followed closely by helping craft "what to say" and, finally, at the third and highest level of this hierarchy, helping our company decide "what to do."

Achieving the top of this hierarchy can be frustratingly haphazard and opportunistic, but we can't say that we are truly "managing" our company's reputation if we are working at only one of these three levels or shaping what our company does on only a hit-or-miss basis. We must engage at all three levels consistently and systematically if we are to realize our full potential as strategic partners to our business lines and as reputation stewards for the company.

"At Capital One, we've thought a lot about how to make reputation risk as integral and routine a part of business decision-making as considerations regarding credit and operating risk," said Richard Woods, SVP, Corporate Affairs at Capital One Financial. "As we've built and refined our risk management program, we have been steadfast in ensuring that it addresses decisions made enterprise-wide, systematically engages leadership at multiple levels, adheres to auditable processes consistent with the bank's other risk management programs, and produces measurable outcomes."

The company recognized early on that successful reputation management required input from experts in stakeholder relations who were organized in functions outside of Corporate Affairs. Capital One created a cross-functional team comprised both of these experts and of their peers in Corporate Affairs. To drive reputation risk considerations deep into business lines, Corporate Affairs also designates a member of its team to be the reputation risk advisor to each business line so that they can take these risks into account at the earliest stages of product development.

"Over the past ten years, we have made consideration of reputation risk a routine part of business decision-making. Doing so has systematized engagement from our stakeholder experts, including our corporate communications team, at every level of the value hierarchy," Woods added.

Deutsche Post DHL has had a similar experience, explained Christof Ehrhart, EVP, Corporate Communications and Responsibility. The organization integrated its Corporate Communications and Corporate Responsibility departments in 2012, recognizing that the two are intertwined in terms of effectively building stakeholder capital. "Both parties bring very specific skills," Ehrhart said. "The communicators are experts in reputation management, experienced in and focused on influencing perceptions through means of mass communication," he explained. "The sustainability managers are experts in stakeholder dialogue. Their task is to engage stakeholders through mostly direct interaction related to material topics." The former group operates based on the "significance of big numbers," such as the outcome of a major communications campaign. The latter operates based on "the relevance of (rather) small numbers," as in participation in physical meetings. In order to realize the full potential of the combined department, an integrated strategy-building process is in place through which initiatives are aimed at both dimensions, significance and relevance.

Christof Ehrhart, EVP, Corporate Communications and Responsibility, Deutsche Post DHL

new of us. The CCO must become a *builder of sophisticated platforms* that map stakeholders, engender understanding of them (usually through data) and systematize the process of engaging with them, not merely as segments but as individuals. In form, these systems would resemble the digital commerce systems through which companies are leveraging data about online behavior to discern individual stakeholder wants and needs and cater to them more effectively.

The same principles at play in these systems can be used to improve engagement with all types of stakeholders and constituents, not just customers. When directed internally, they can be used to engage, train and equip employees with the means to communicate about the enterprise and portray corporate character to external stakeholders. Externally they can be used to draw conclusions about the attitudes and actions of key stakeholder groups and deliver messages or content or opportunities for personal engagement and joint action.

We expect that the CCO will increasingly lead efforts, in concert with other line function leaders, to develop what we are calling "digital engagement systems," which are characterized by:

- **Personalization** – the system "knows you" based on data analysis and applies that knowledge to deliver personalized content (information, tools, answers, etc.). The most advanced systems will provide utility (e.g., apps that allow a person to get something done) and use predictive analytics to anticipate a person's actions and needs.

- **"Omni-channel"** – the system delivers a consistent experience regardless of preferred engagement platform (tablet, smart phone, etc.).

Building and operating systems to engage individuals directly and at scale requires the CCO and the communications function to:

1. **Leverage data to understand individuals.** The need for a system of engagement is most obviously driven by the need to engage directly with individuals – not just one at a time, but at scale. Existing management practices in Communications, which were developed to

"influence the few, who will influence the many," were not built for this new reality.

CCOs who recognize how to take advantage of digital, social and mobile communications have moved well beyond tracking the breadth of their outreach to tailoring digital experiences to meet the needs of individuals. More and more companies are making this shift to new systems of "mass personalization." Among the most common of these are tailored recommendations – TV shows recommended on Netflix based on ones you've watched in the past, or products you might be apt to buy based on your past purchases or those of people who have purchase patterns similar to your own. Even news outlets like *Business Insider* are applying these principles by customizing the news items in subscribers' e-mail newsletter based on the topics in which data suggest they will have the most interest.

As a stakeholder engagement tool, data offer a window into who matters, to whom they matter, and how best to engage them.

The prerequisites for mass personalization are digital engagement and data analytics, including a broad understanding of "data." As a stakeholder engagement tool, data offer a window into who matters, to whom *they* matter, and how best to engage them. And these data insights are as readily applied to offline stakeholder engagement as to online.

For example, USAA has created an influencer model that takes into account key indicators like Klout scores and social reach to define what makes someone an influencer in a specific social community and to identify individual influencers and those they influence. Influencers turn out to be everyone from authors and bloggers to non-profit leaders and even military spouses. The company then develops custom engagement for influencers of note, including bringing some to their offices or to USAA events to deepen the relationship. The agenda is set up to address the influencers' interests, help expand their network among their peers, and

share what USAA can offer them. In some cases, the company invites detractors, who share critical feedback that is used to inform product development. The detractors are then invited back to show how the products were improved based on their feedback. "We reach out to influencers, bring them to USAA, and give them a look behind the curtain," said Pattie Kushner, former VP, Enterprise Communications and Enterprise Affairs at USAA. "Our mindset is 'we know they have specific needs, so what can we do to help them?'" To run this system, the company needed to hire professionals with data and analytics expertise to partner with their communications experts.

Heineken similarly gathers data from social media about the opinions, comments and sentiment of key influencers, and uses that to tailor their outreach strategies and design content to engage individual influencers. Communicators at Heineken partnered with Marketing to create a "digital kit" for branding and launches. The kit includes a dashboard that monitors pre-identified key influencers in social media. It includes information about who the influencers are, what messages they typically send and how they relay those messages to others. It tracks for "thought starters" or conversation starters from influencers to help Heineken understand the market and what causes excitement and engagement. "We consider a launch to be the start of a relationship with a group or groups, more than a one-off consumer awareness event. You need to consider the role and objectives of all our stakeholders including governments, regulators, partners, NGOs, consumers etc.," said Sean O'Neill, Chief Corporate Relations Officer at Heineken.

CCOs need not just quantitative measures of activity (such as page views, retweets and click-through rates), but also qualitative analysis of more complex, unstructured forms of data to discover what is being said, the tone of communications, and the likely direction of conversations and queries. Indeed, in creating a system of engagement, the content we create and inject into public discourse, as well as the content generated by others, *are* data to be analyzed – all enabling better connectivity with stakeholders.
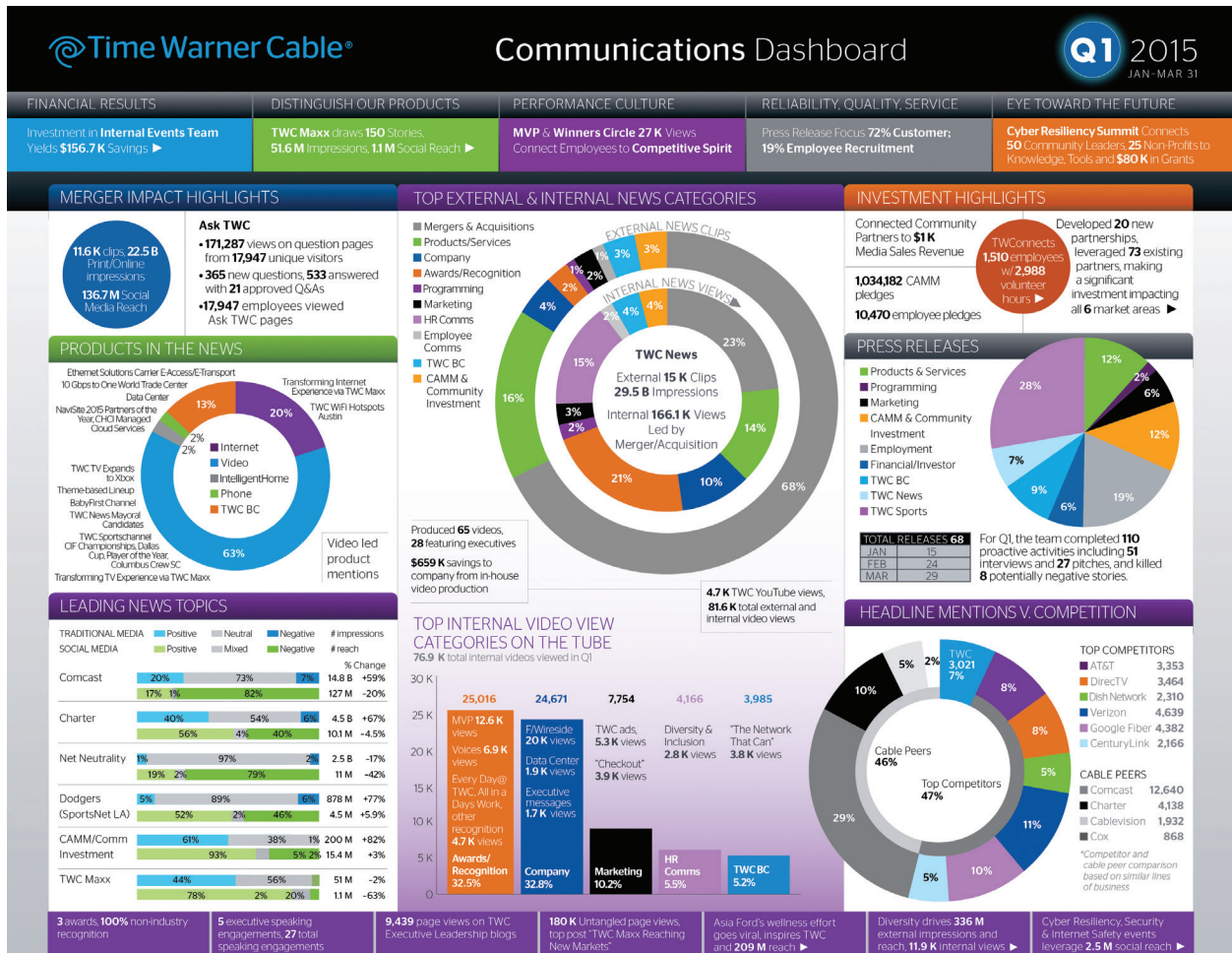
This requires new kinds of expertise from CCOs. Bill Heyman, President and CEO of executive search firm Heyman Associates, said that CEOs are increasingly looking for CCOs with "deep digital skills – the demand for this is a constant crescendo that's building, especially when the skill is partnered with the ability to examine the system in a holistic way and apply digital where it's most effective." In addition, "content skills" now mean more than in the past: "CCOs are not just responsible for the written word, but also for generating video, infographics and digital assets."

Importantly, the tools and capabilities to capture and analyze data are not just for large companies with big budgets. Resource constraints need not limit CCOs of even small organizations, since there are many free or low-cost options for the needed digital tools and infrastructure. And the resulting personal dialogues, meeting stakeholders to address their needs and concerns in person, costs only time.

Another important source of analytics is very close to home. As Jen Prosek, Founder and CEO of Prosek Partners, put it: "There are still such silos that Communications doesn't know what's actually possible with marketing tools, and Marketing never even thought twice about how to use them to measure the earned side. So, to start, just uncover what exists in your own Marketing department and put it to use."

Time Warner Cable's communications team has taken a comprehensive approach to gathering analytics from a variety of readily available sources and presenting them in a dashboard that allows senior management to understand where and how the company is producing visibility and engagement. The start of this process is identifying data that support the team's objectives and efforts, aggregating and analyzing the information, then showing the impact in context of the organization's goals.

Data analytics are also enabling more advanced approaches to content marketing that are increasingly about creating meaningful interaction with the brand to convey its essence and purpose. Moreover, this content need not be self-serving. To the contrary, the deepened role of communicators

Time Warner Cable® — **Communications** Dashboard — **Q1** 2015 JAN-MAR 31

FINANCIAL RESULTS	DISTINGUISH OUR PRODUCTS	PERFORMANCE CULTURE	RELIABILITY, QUALITY, SERVICE	EYE TOWARD THE FUTURE
Investment in **Internal Events Team** Yields **$156.7 K** Savings ▶	**TWC Maxx** draws **150** Stories, **51.6 M** Impressions, **1.1 M** Social Reach ▶	**MVP** & **Winners Circle 27 K** Views Connect Employees to **Competitive Spirit**	Press Release Focus **72% Customer; 19% Employee Recruitment**	**Cyber Resiliency Summit** Connects **50** Community Leaders, **25** Non-Profits to Knowledge, Tools and **$80 K** in Grants

MERGER IMPACT HIGHLIGHTS

11.6 K clips, **22.5 B** Print/Online impressions
136.7 M Social Media Reach

Ask TWC
- **171,287** views on question pages from **17,947** unique visitors
- **365** new questions, **533** answered with **21** approved Q&As
- **17,947** employees viewed Ask TWC pages

PRODUCTS IN THE NEWS

Ethernet Solutions Carrier E-Access/E-Transport
10 Gbps to One World Trade Center Data Center
NaviSite 2015 Partners of the Year, CHCI Managed Cloud Services
TWC TV Expands to Xbox
Theme-based Lineup
BabyFirst Channel
TWC News Mayoral Candidates
TWC Sportschannel
CIF Championships, Dallas Cup, Player of the Year, Columbus Crew SC
Transforming TV Experience via TWC Maxx

Transforming Internet Experience via TWC Maxx
TWC WiFi Hotspots Austin

- Internet 20%
- Video 63%
- IntelligentHome 13%
- Phone 2%
- TWC BC 2%

Video led product mentions

LEADING NEWS TOPICS

TRADITIONAL MEDIA	Positive	Neutral	Negative	# impressions
SOCIAL MEDIA	Positive	Mixed	Negative	# reach
				% Change

Comcast	20% / 73% / 7%	14.8 B	+59%
	17% / 1% / 82%	127 M	-20%
Charter	40% / 54% / 6%	4.5 B	+67%
	56% / 4% / 40%	10.1 M	-4.5%
Net Neutrality	1% / 97% / 2%	2.5 B	-17%
	19% / 2% / 79%	11 M	-42%
Dodgers (SportsNet LA)	5% / 89% / 6%	878 M	+77%
	52% / 2% / 46%	4.5 M	+5.9%
CAMM/Comm Investment	61% / 38% / 1%	200 M	+82%
	93% / 5% 2%	15.4 M	+3%
TWC Maxx	44% / 56%	51 M	-2%
	78% / 2% / 20%	1.1 M	-63%

TOP EXTERNAL & INTERNAL NEWS CATEGORIES

EXTERNAL NEWS CLIPS
INTERNAL NEWS VIEWS

- Mergers & Acquisitions
- Products/Services
- Company
- Awards/Recognition
- Programming
- Marketing
- HR Comms
- Employee Comms
- TWC BC
- CAMM & Community Investment

TWC News
External **15 K** Clips
29.5 B Impressions
Internal **166.1 K** Views
Led by Merger/Acquisition

Produced **65** videos, **28** featuring executives
$659 K savings to company from in-house video production

4.7 K TWC YouTube views, **81.6 K** total external and internal video views

TOP INTERNAL VIDEO VIEW CATEGORIES ON THE TUBE
76.9 K total internal videos viewed in Q1

25,016	24,671	7,754	4,166	3,985
MVP **12.6 K** views	F/Wireside **20 K** views	TWC ads, **5.3 K** views	Diversity & Inclusion **2.8 K** views	"The Network That Can" **3.8 K** views
Voices **6.9 K** views	Data Center **1.9 K** views	"Checkout" **3.9 K** views		
Every Day@ TWC, All in a Days Work, other recognition **4.7 K** views	Executive messages **1.7 K** views			
Awards/ Recognition **32.5%**	Company **32.8%**	Marketing **10.2%**	HR Comms **5.5%**	TWC BC **5.2%**

INVESTMENT HIGHLIGHTS

Connected Community Partners to **$1K** Media Sales Revenue
1,034,182 CAMM pledges
10,470 employee pledges

TWConnects **1,510** employees w/ **2,988** volunteer hours ▶

Developed **20** new partnerships, leveraged **73** existing partners, making a significant investment impacting all **6** market areas ▶

PRESS RELEASES

- Products & Services 12%
- Programming 28%
- Marketing
- CAMM & Community Investment 12%
- Employment 19%
- Financial/Investor 6%
- TWC BC 9%
- TWC News 7%
- TWC Sports

TOTAL RELEASES 68	
JAN	15
FEB	24
MAR	29

For Q1, the team completed **110** proactive activities including **51** interviews and **27** pitches, and killed **8** potentially negative stories.

HEADLINE MENTIONS V. COMPETITION

Cable Peers **46%**
Top Competitors **47%**
TWC **3,021** 7%

TOP COMPETITORS	
AT&T	3,353
DirecTV	3,464
Dish Network	2,310
Verizon	4,639
Google Fiber	4,382
CenturyLink	2,166

CABLE PEERS	
Comcast	12,640
Charter	4,138
Cablevision	1,932
Cox	868

*Competitor and cable peer comparison based on similar lines of business

| 3 awards, 100% non-industry recognition | 5 executive speaking engagements, 27 total speaking engagements | 9,439 page views on TWC Executive Leadership blogs | 180 K Untangled page views, top post "TWC Maxx Reaching New Markets" | Asia Ford's wellness effort goes viral, inspires TWC and 209 M reach ▶ | Diversity drives 336 M external impressions and reach, 11.9 K internal views ▶ | Cyber Resiliency, Security & Internet Safety events leverage 2.5 M social reach ▶ |

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is to find ways to deliver content that is of objective value and relevance to stakeholders, without necessarily promoting the enterprise overtly. These experiences are not one-size-fits all, and data present the opportunity to deliver a more tailored, albeit automated approach. Companies like GE are combining their knowledge of emerging issues with their insights about stakeholders to figure out what type of content to create, and deliver it through dynamic systems that provide the right content to the right person in the right way and in the right place.

2. **Create channels and platforms to connect with those individuals directly.** The insight gleaned through the capture and analysis of these data offers the opportunity to produce more tailored engagement with stakeholders. By combining these insights with knowledge of behavioral economics, CCOs can build new platforms that offer a customized experience for individuals.

For example, real-time customer service conducted through social channels is becoming the norm, with companies monitoring for issues and responding immediately. American Airlines' Social Media function operates by a hub and spoke model with social media, led by Corporate Communications, horizontal to the entire organization. The Integrated Operations Center is the "hub," and the "spokes" are key partner groups with stakes in sharing content and assisting customers, such as airlines and airport operations, customer relations, human resources, marketing and technology. "From the outset, the primary objective was, and remains today, for a social team with the customer at the center of our thinking and action," said Elise Eberwein, EVP, People, Communications and Public Affairs at American Airlines. By connecting customers with operations, American's people can make better informed decisions in real time, allowing American to move quickly to mitigate issues that may generate media headlines, and assist the people

The new CCO will be a systems thinker and enterprise strategist, a key hub of the ecosystem and a driver of strategic business outcomes.

who fly the airline with more accurate and speedy responses.

Real-time customer service undertaken through social channels like Twitter requires the development of specific systems and processes that give employees the ability to detect issues and either the authority to resolve them or the method by which to escalate them appropriately. These systems convey the profound commitment that enterprises have to listening to their constituents and allow employees to represent the brand effectively.

3. **Engage with those individuals, not only to shape opinion but also to influence behavior.** New skills and systems are required, and are being built by leading CCOs. They are drawing on the cycle of building advocacy at scale described in *Building Belief,* shaped by behavioral science insight into how to instill belief, how to prompt action, how to foster confidence and continuing habit, and how to generate authentic advocacy at scale.

CCOs and their teams are the architects of a new form of engagement, driven by content that exemplifies corporate character while making it relatable to the individual based on data insights. Often, deep stakeholder concerns will, of course, also require personal contact and ideally joint action with people and communities. The powerful connection that results will help organizations build and maintain more influential relationships with stakeholders while inspiring them to engage within their own networks in ways that support the brand. Authentic engagement, built on these trusting relationships, will transform the dynamics of stakeholder engagement as well as reputation management.

Building a Digital Engagement System

Shaping behavior is much more than adopting social media. It is about creating a fully functional, cross-enterprise engagement system, grounded in up-to-date, individualized data about the organization's key constituencies and built on a scientific understanding of behavior and motivation, as well as ethical respect for diverse opinions and the privacy of individuals. In other words, the CCO must be more than a digital systems builder, content creator and manager. The new CCO will be a systems thinker and enterprise strategist, a key hub of the ecosystem and a driver of strategic business outcomes. The systems we are being called upon to build require expertise in governance and process, innovation and collaboration, and design and production.

Integrating social business tools and data analytics capabilities at the enterprise level is more critical than ever. While C-Suite adoption remains a challenge, leading companies are aggressively building cross-functional social capabilities at the enterprise level, enabling increasingly sophisticated approaches to enterprise-wide stakeholder engagement. We are beginning to see the emergence of dedicated digital engagement systems that create competitive advantage by driving deeper insight and greater capabilities related to business-critical stakeholder engagement activities.

One example of a digital engagement platform, built and continuously evolved using the Agile methods described earlier in this report, is IBM's Think Academy – a massive open online course (MOOC) – that serves to educate the workforce on strategic topics. It is instrumented to enable delivery of personalized, relevant content where and how employees want it. They can track their progress, pick up learning modules where they left off, receive alerts on their phones when new content is available and see a personalized learning profile that helps them identify strengths and weaknesses. Based on data gathered from repeat visits to the platform, the Think Academy team adapts the experience to different groups (e.g., "road warriors" often prefer to consume audio-only material) and helps individuals within those groups improve their testing scores and engagement.

THE PAGE MODEL AND THE NEW CCO

These three roles of the new CCO are fully consistent with the Page Model, which still applies. In this section, we clarify how the three roles of the CCO relate to the model.

Corporate Character

As a vital enterprise leader, the CCO must advocate for the development of a strong and ethical corporate character. With the growing expectation that enterprises operate transparently and responsibly and serve a greater social purpose, the work of defining and aligning mission, purpose, values, culture, brand, business model, practices and policies becomes ever more important.

To attract and inspire the workforce of tomorrow, the CCO will bring to bear the legacy skills described in Role One – strong communications, ethical judgment, and a vigilant preservation of the public's trust in protection of corporate reputation. Earning the social license to operate transcends delivering quality products, although this public trust is eternally important. Today's enterprises must move beyond merely delivering customer and shareholder value and fulfill the enterprise's obligation to serve a positive role in society as well. Connecting the work of the enterprise with the ways in which it improves the lives of those with which it interacts is perhaps the most elemental strategic role that the CCO can play.

Given this, and with the understanding that communications is more "what we do" than "what we say," the ability of the CCO to serve as an integrator, as described in Role Two, becomes more crucial. Corporate character, by definition, must permeate the enterprise. This can only be achieved if such character is universally understood and practiced at all levels. This demands that character be fully operationalized, built into the bedrock of every facet of

the business. The CCO's ability to win the support of C-Suite colleagues and direct their efforts to a singular purpose demands the ability to fully integrate the work of communications.

This how-to model was described in *Building Belief*'s "Looks like" frame (see next page), which is built upon the idea of cross-functional integration, of working collaboratively to take on responsibility for – not "ownership" of – the behavior of the entire enterprise and its people.

Around this corporate character, CCOs will leverage the power of data to build new systems that bring it to life through engagement with employees as well as customers. That's Role Three. Sophisticated systems will empower the CCO to produce personalized experiences that relate the character of the enterprise to the expectations of stakeholders. The content generated by these systems will engender a deeper connection to the character of the enterprise and foster new opportunities for creating more mutually beneficial relationships.

Authentic Advocacy

Inspiring shared belief that leads to action, confidence and advocacy, necessitates a complete understanding of the interests of all stakeholders, and the ability to connect with them effectively as CCOs have always done through Role One. The application of data analytics, cultural intelligence and behavioral economics will uncover new methods for doing so. The need to coordinate the engagement of all

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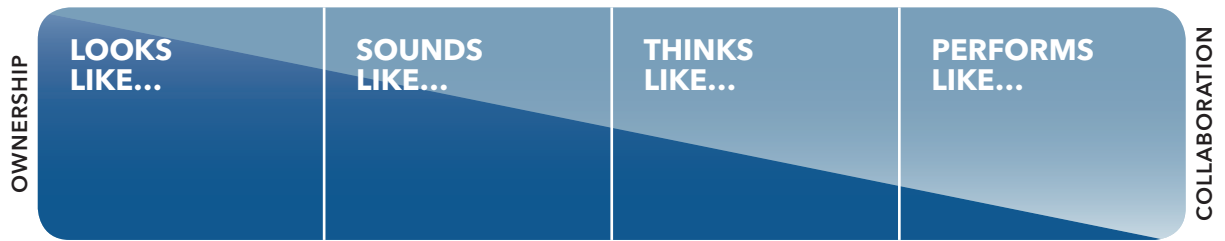
At the left side of this series – the "Looks Like" dimensions of character – most of the elements are owned by Corporate Communications and Marketing. They include things like the design of publications, websites, signage, advertising – in some cases, even the company's products.

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.

stakeholders at all levels of the enterprise requires the integration skills described in Role Two.

Finally, the digital engagement systems described in Role Three, by design, will be powerful tools for identifying and mapping stakeholders, understanding their behavior and interests, and allowing for the optimal means of engaging them. Rooted in corporate character, this engagement will flow both into and out of the enterprise. The inbound elements will

shed light on who influences the enterprise, what motivates them, and where to reach them. The outbound will be the delivery of content that inspires their confidence, enables them to take action, and empowers them to serve as advocates. This virtuous cycle – a constant two-way flow of information and mutual engagement between enterprise and stakeholder – has become the norm for how enterprises engage in a digital world.

NEW SKILLS AND CAPABILITIES

Rising to meet the opportunities and challenges outlined by the foregoing vision of the future CCO, communications leaders will need to acquire new capabilities and hone new skills. Indeed, the new CCO will rely on many of the traditional skills required of the job, albeit applied differently (think about old-world storytelling precepts applied in a digital world). New skills and capabilities will come to define the role as its purview and influence expands.

To at least some degree, all of the following skill sets, many of which overlap, are required for all three components of the CCO's role as a foundational leader, integrator and builder of engagement systems:

- **Analytical Skills**
  The proliferation of digital demands that CCOs acquire fluency with new forms of media and the ability to capture and analyze data, derive critical business insights, and apply these toward furthering organizational objectives – all with integrity. This skillset empowers the CCO with empirical evidence about the efficacy of engagement strategies and the tools needed to drive their improvement and expansion over time.

- **Brand Management Skills**
  The increasing collaboration between Communications and Marketing has given rise to a new requirement for CCOs, demanding that skills that were once exclusively the domain of the CMO (advertising/paid media; social media platform ownership; brand building and management) now be adopted by CCOs for whom social purpose has become an elevated component of their organizations' business strategy and brand identity.

- **Communications Skills**
  Being an excellent communicator includes possessing not only fundamental written and presentation prowess, but also advanced proficiency regarding issues and crisis management, ethical counsel, primary and secondary research, media relations, internal communications, metrics and reporting, among others.

- **Interpersonal Skills**
  CCOs are increasingly called upon to build more collaborative team structures as well as relate to individuals at all levels of the enterprise. Ethics, sympathy, and empathy are vital. Moreover, the CCO must be adept at simplifying the complex, clarifying the ambiguous, and adapting to change. CCOs can be "Chief Inspiration Officers," serving as leader, motivator and mentor.

- **Management and Leadership Skills**
  Leadership increasingly values business acumen and strategic thinking, particularly when it comes to aligning corporate character and actions with organizational goals. In addition, the CCO must have the moral courage to "tell it like it is" to leadership, and urge leadership to do the same to employees, fostering an environment of truth and trust. As always, CCOs must possess sound judgment, good instincts and the ability to think and act with speed and urgency. And as CCOs and their teams lead global, cross-functional efforts to build stakeholder engagement systems, work processes will become much more complex. Process management skills will help communicators design, build and deploy effective systems in a more disciplined and effective manner.

CALL TO ACTION FOR CCOS

This report is as much a presentation of the prototypical CCO of the 21st century as it is a clarion call for those who possess the role, and those around them in the C-Suite, to acknowledge the evolving circumstances that are transforming the very nature of the enterprise and how it seeks to build relationships with key stakeholders.

As a crucial member of the management team, the CCO must be a compelling strategist, a trusted advisor and persuasive leader, capable of understanding the nuances of the business and the competitive landscape in which it operates. The CCO must pioneer new approaches to how teams are composed and deployed and draw upon the expertise of specialists in the fields of behavioral economics, data analytics and more. The CCO must also serve as an integrative force across the C-Suite, making connections between business functions. And as we look to the future, the CCO will develop new data-driven systems that allow for the effective management of stakeholder relationships at all levels, both internal and external.

As today's CCOs, and increasingly those of tomorrow, undergo this transformation, we offer the following recommendations:

Foundational CCO:

1. Find and use the data now available to fortify the foundational CCO role, including the ethical management of reputation, execution of communications strategies, and in providing strategic counsel to leadership.

2. Seek out diversity. Diverse viewpoints are of increasing importance as companies engage with new communities on a global basis. Decisions made by diverse teams benefit from more varied perspectives and personal experiences.

The CCO as Integrator:

3. Establish new partnerships with C-Suite colleagues. Engage with the CHRO on employee engagement and corporate character, with the CIO on developing a more robust data analytics capability, and with the CMO on aligning brand and customer engagement with that of other stakeholders.

4. Use Agile and other approaches to reengineer the concept of teams to enable cross-functional integration and collaboration. Deploy teams across functions and diversify the skills and competencies of team members.

The CCO as Builder of Digital Engagement Systems:

5. Use the most current and reliable data to uncover and pursue new opportunities for deeper, broader and more meaningful engagement. Leverage a combination of off-the-shelf tools and custom-built systems (depending on the level of resources available) to develop a cohesive capability to identify stakeholders and engage with them around pertinent content.

6. Engage with individuals by empowering employees and creating channels and platforms to connect with those individuals directly, online and offline.

ARTHUR W. PAGE SOCIETY

CONCLUSION: A TURNING POINT FOR THE PROFESSION

We anticipate that the trends we have identified will, in the coming years, result in CCOs gaining influence within the C-Suite. The outcome for each organization will depend less on the degree to which the CCO owns certain organizational functions and more upon each CCO's ability to master and apply the principles, skills and competencies noted herein, which are of increasing consequence to the success of the enterprise. This reality places even greater urgency on the need for CCOs to expand the capabilities that fortify their roles as critical enterprise leaders in ways that drive measurable results for their enterprises.

As we have sought to capture the nature of the change we are observing now and where we see it headed, we are acutely aware that today's realities will shortly be replaced by those of tomorrow. While we must consider the implications of the change we can see, we also must be focused on seeing around corners to anticipate the change that is yet to come.

While we expect that the new role of the CCO outlined in this report will correctly anticipate many

factors, we acknowledge that we may have missed others. To that end, the Page Society will continue to engage in ongoing dialogue with our members, other C-Suite executives and others who analyze and influence business, with antennae ever tuned to developing trends in order to capture their implications for the role of the CCO as it dynamically and rapidly evolves.

APPENDICES

Appendix 1: Review of Existing Literature

Contextualizing the C-Suite: Situating the CCO
Prepared by Terence (Terry) Flynn, Ph.D., APR, FCPRS
& Tina McCorkindale, Ph.D., APR

The task of leading, managing and operating major organizations has grown more complex and challenging in recent years as business models and sectors are disrupted and re-invented in the time that it usually takes to introduce new products and services. And at the nerve center of the enterprise rests a growing and increasingly specialized (some would say siloized) suite of organizational leaders.

From the Chief Executive Officer to the recently created positions like of Chief Information and Security Officer to Chief Disruption Officer, the once small and cozy C-Suite has doubled in size over the last 30 years, to the point that CEOs have never had as many direct reports as they do today.

There is now fierce competition amongst the professions and their professionals that are represented in C-Suites to ensure that each of their respective voices is heard and incorporated into the key strategic decisions of the enterprise. But this specialization and increase in head count comes at a price. According to a study conducted by Deloitte, "in the new era of globalization, teams of functionally oriented executives struggle to formulate and act on integrated, coherent strategies for future success."

While there is a recognition of the value of specialization around the table, research suggests that new integrative thinking and collaboration is required for greater functionality of the executive leadership team.

For professional communicators, this increase in size and scope of the C-Suite is both an opportunity and challenge: the chaotic communications environment in which organizations must survive and compete requires a clear and strategic framework and mindset to navigate the potential reputational risks that could befall the enterprise. At the same time, the demands for involvement and engagement as a full and contributing member of the leadership team require a different set of skills than those that have enabled most heads of communications to achieve their current levels of success.

This literature review establishes the current thinking about expected competencies and knowledge of the 21st century C-Suite as well as the growing list of professional attributes that current and future CCOs must possess in order to effectively contribute to the value-realization of the enterprise.

The Changing Face of the C-Suite
The landscape facing C-Suite members is in flux. From activist boards to system and cultural integration to an ever increasing list of potential reputational risks, the skill set for today's enterprise executive is constantly shifting.

Certain core competencies have been identified that help the C-Suite to be successful. The ever-changing nature of the role has been spotlighted as research has found what has worked in the past may not work anymore (Goodman, 2010) because of the changing nature of the global business environment. CEOs have never had as many direct-reports as they do today (Kelly).

Groysberg, Kelly, and MacDonald (2011) in *Corporate Wellness Magazine* said CEOs "will be more inclined to embrace business-centric people who are strategists to focus on value-realization achievement" (para. 4). Heidrick and Struggles (2013) reported members of the C-Suite "must drive results while also managing change and a promulgating corporate culture" (p. 21). Along with a business focus and ability to manage complex tasks, Sullivan highlighted four of the most critical competencies that are critical for C-level positions:

- Creating a strategic vision
- Inspiring others and maintaining leadership responsibility
- Developing an accurate and comprehensive view of the business
- Decision-making

Similarly, a Human Resources Professionals Association (HRPA, 2013) article suggested six "C" competencies for each C-level member:

- Commitment and courage;
- Communication and clarity; and,
- Character and compassion

Certain personal skills also behoove members of the C-Suite. Based on the literature (EYGM, 2014; Goodman, 2010; Groysberg, 2014; Murphy & Chan, 2014; Raath, 2012; Sherman, 2014), the following skills have been identified for members of the C-Suite:

- Critical thinking/strategic planning ability and execution
- Innovative thinking/creativity
- Communication, technology, and presentation skills
- Leadership skills, including teams (with both macro-level and narrowly defined missions)
- Relationship-building and collaboration
- Personal integrity and ethics
- Flexibility and managing ambiguity: With the rapid changes to the business landscape, Raath (2012) contends C-level executives must be able to take functional knowledge and put it to use "in order to act, and react, fast to changes in the organization and its industry."
- Self-awareness and insight
- Persistence

Raath (2012) claimed most senior leaders have built discipline-specific skills rather than change leadership skills that today's organization requires. C-Suite leaders also have to possess a strategic vision and leadership capabilities. The literature has identified the following roles:

- Transformational change/change management
- Goal-setting and visioning
- Strategic risk management
- Strategic thinking and decision-making
- Performance management integration
- Advocacy/ambassadorship for the organization
- Business skills and acumen: Florentine reported successful CISOs tend to have business acumen and analytics.

- Importance of Diversity: Kelly (2014) suggests diversity and dialogue help to enhance judgments of the C-Suite as "difference also brings challenges – of conflict, misunderstanding, and misalignment. Here, a great deal has been learned, and codified, about the skills that underpin productive dialogue. These are learnable skills that can transform the effectiveness and outcomes of senior executive communication and interaction" (para. 30).
- Corporate governance
- Provide CEOs with multiple perspectives

As roles have been narrowed, Kelly (2014) claimed functionalists (CMO, CIO) now outnumber generalists, which may be perceived as a disadvantage as roles may become too siloed. Kelly said in the new era of globalization, teams of functionally-oriented executives "sometimes struggle to formulate and act on integrated, coherent strategies for future success" (para. 2). Therefore, C-Suite executives must be positioned to cross boundaries and understand other functions of the business. To do this, Kelly suggested four keys for the C-Suite to focus on in order to achieve sustained success:

- Ensuring coherence across multiple strategies;
- Nurturing and protecting the organization's most critical strategic capabilities;
- Recognizing and empowering informal networks of power and influence; and
- Decision making supported by the three Ds: data, diversity, and dialogue (para. 14).

Regardless of their role in the C-Suite, the cross-functionality of members of the C-Suite is becoming more important. Understanding how communication plays a role in these various C-Suite positions is critical. Many of the roles, whether it be the CIO, CFO, and CXO, require both personal characteristics as well as the ability to perform their jobs effectively by generating results.

CXO
The role of the Chief Experience Officer (CXO) grew out of research outlining the changing role of the CIO in the early 2000s. Heidrick and Struggles (2013) identified the CXO as "adept at capturing business value in all of their activities, communicating across the enterprise, and providing the CEO with real strategic partnership" (p. 21).

CIO

According to EYGM (2014), the CIO "continues to be perceived as the organizational 'watchdog': ready to jump in and highlight the risks of a new initiative, often without realizing the impact of their perception within the business." The report found in addition to the aforementioned attributes of members of the C-Suite, CIOs must also understand IT trends, financial management, and deeper insights into the industry and key geographical markets. Also, the report highlighted some of the key skills dilemmas facing CIOs – the ability to "balance technological prowess and mastery of softer skills" (p. 12).

CFO

Gomes identified the ability to communicate effectively to both internal and external stakeholders as the most important soft skill that any accounting professional should have. Based on a survey of 500 CFOs, Gomes (2014) identified 10 key competencies for CFOs. Half have been identified in research as critical for all members of the C-Suite:

- Professionalism and ethics;
- Governance, risk and control;
- Stakeholder relationship management;
- Strategy and innovation;
- Leadership and management;

Specific to the CFO, includes:

- Corporate reporting;
- Sustainable management accounting;
- Financial management;
- Audit and assurance; and
- Taxation.

CMO

In 2009, an *AdAge* article discussed how CCOs and their teams are playing a strategic role more closely aligned with the marketing function, linked through the CMO. Forrester Research and Heidrick and Struggles (2014) issued a joint research project in March 2014 outlining what the "evolved" CMO looks like. The research found "evolved" CMOs need to sharpen general business skills and understand the growing influence of technology. A 2014 Spencer Stuart survey of marketing leaders found "strategic mindset" was the most desired skill for today's CMO followed by customer insight. Creativity was indicated to be just as important as analytical ability, and data and analytical tools are increasingly becoming more critical (Brown, Duncan, Seclow, & Welch, 2014).

CCO

Little research has identified the specific roles and characteristics of the CCO. Weber Shandwick (2014), Korn/Ferry Institute (2012), and the Arthur W. Page Society are several of the organizations that have explored the various skills and roles CCOs play. According to the Korn Ferry Institute (2012) report, in addition to helping with leadership challenges and crises, CCOs are "increasingly taking part in defining the company's strategic direction and articulating an updated corporate narrative" (p. 2).

Similarly, Kathuria (2014) said CEOs are making CCOs far more connected to the business and revenue streams than in the past, emphasizing the importance of the need for business acumen. According to the 2014 CCO survey, respondents identified roles and responsibilities that could easily be categorized into six different priority areas:

- Reputation and brand management;
- Change management;
- Corporate communications;
- Culture and corporate character;
- Supporting key business objectives; and
- Providing strategic advice and counsel.

When asked "What are the CEO's highest priority for your function?", 76% stated that traditional corporate communications activities such as employee engagement, stakeholder relations and media relations were the highest priority, while 53% stated that managing the organization's reputation and brand was highest and 19% said that it was supporting key business objectives.

What are the specific competencies identified for today's CCO?

In 2010, Weber Shandwick conducted a survey investigating the future of specific functions of the CCO. On a global scale, social media and corporate reputation were the most frequently referenced functions. However, the study did not study characteristics of the CEO. More recently in 2014, Weber Shandwick partnered with Spencer Stuart to conduct the fifth installment of "The Rising CCO" study that globally surveyed 203 senior communication professionals. Results found 35% of global CCOs have oversight for

marketing today, and more than half of the respondents are creating and publishing their own content. CCOs were also tasked with strengthening employee communications, developing relationships with online influencers, and hiring more in social media.

In 2012, the Korn Ferry Institute surveyed 148 CCOs to determine the skill sets needed for the role, the background of CCOs and emerging topics of concern. Results found corporate reputation was a critical area of focus for most respondents, and CCOs were giving more attention to the values and culture of their companies as well. More recently, 42% of the CCOs added social media under their purview as companies have faced a changing media landscape. Rather than needing CCOs to be solely functional experts, CCOs need to be multidimensional strategists and advisors; collaborative leaders who can develop integrate, and align, as well as execute both offensive and defensive strategies (Korn Ferry Institute, 2012). Additionally, CCOs are serving as organization problem solvers, integrators, and the person responsible for driving important enterprise-wide initiatives that do not fit into another area.

The Corporate Excellence Centre for Reputation Leadership (2013) studied what makes a CCO excellent, and identified personal skills as well as internal and external roles of the CCO. They also developed a four-star, hierarchical scale distinguishing a one-star CEO from a four-star CEO in terms of their level of excellence. Simplified, these roles include:

- One-star = stakeholder alignment manager
- Two-star = relationship manager
- Three-star = internal change master
- Four-star = C-Suite, business, and stakeholder integrator

In regard to the changing nature of communication infrastructure, Kathuria (2014) maintains CCOs must

champion and strategically manage various platforms. As an adviser to the CEO, the CCO must be a prognosticator who anticipates a wide variety of trends. Also, Kathuria reported the CCO holds the key to the company's culture, value, and beliefs and is guardian and chief interlocutor.

The Global Communications Environment

Based on the ever-changing environment, it's important to ask where we are and where we plan to go. Here is a summary of what we found based on the literature (Korn Ferry Institute, 2013; PWC, 2015). CCOs need to think about:

- **Flexibility in communicating disruptions.** Innovation communications and crisis communications are keys to solving business challenges as innovation develops faster than government regulations can be amended effectively. CEOs look to CCOs for strategies to communicate innovations and prepare for digital crises including security breaches and legal conflicts with technological innovation.

- **Communication in a borderless marketplace.** As businesses innovate and seek to partner across sectors globally, CEOs are looking to hire more diverse talent with a focus on cultural sensitivity and technological savviness.

- **Social media is now a job mandate.** In 2013 to 2014, social media strategies and analytics have been added to CCO job mandates. Now, CEOs believe that organizations need to be at the forefront of technology to compete in the market, thus depending on CCOs to proactively use social media to position the organization and use social media and technology as tools for engaging stakeholders.

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Appendix 2: New Communications Job Roles

The following is based upon insights derived from the Page Jam:

Digital Storyteller: Focuses on the interplay between storytelling and platforms - be they social media, web, video. Understands what is compelling, persuasive and informative for their audience. Understands both how to write/tell the right stories and distribute them. (Source: Gary Sheffer, GE)

Integration Chief/Lead: Acts as bridge to better organize cross-disciplinary efforts (Media, Communications, Government Relations, etc.) around key issues or opportunity areas for the company. They act as "Campaign Chiefs" and ensure an integrated approach, which is necessary in a cluttered communications environment. (Source: Suzanne McCarron, ExxonMobil; Matt Gonring, MP Gonring Associates)

Insight Analyst: Offers analytics based decision-making, not just data sharing. Responsible for reviewing and presenting metrics to recommend action based on strategic priorities (Source: Chris Woolsey, SCL Health)

Director of Future Partnerships: Specializes in building the right senior-level partnerships with relevant global and local organizations to ensure inclusive and holistic models for growth. Understands the strategic view of the corporate journey and has the ability to both influence direction internally and defend strategic direction externally. (Source: Sean O'Neill, Heineken)

Change Manager: Focuses on broad and direct impact of strategic initiatives on people, processes, technology and culture. Offers impact analysis and operational guidance to successfully implement necessary changes to the business. (Source: Chris Woolsey, SCL Health)

Behavioral Scientist/ Engagement Analyst: Drawing from a background in behavioral science, analyzes communication and digital design and develops models to drive most effective communication and engagement from target audiences. (Source: Maril MacDonald, Gagen MacDonald; Wendi Strong, USAA, and others)

List of Suggestions from the Page Jam Data

Analytics

- Decision Analyst

Content

- Content and Engagement Designer
- Content Developer
- Content Manager

Engagement

- Employee Engagement
- Influencer Engagement

Social/Digital

- Digital & Social Media Specialist
- Digital Director
- Digital Specialist
- Director of Digital Media
- Director of Social Media
- Head of Digital Media Strategy
- Manager, PR and Social Media
- Social Media Manager
- Social Media Specialist
- Social Strategist
- Web DJ

Integration

- Integrated Communications Director
- Integration Leader

Other

- Arabist
- Brand Communications
- Business Partner
- Client Manager
- Communications Lead
- Community Manager
- Creative Director and Creative Staff
- Culture Czar
- Director of Institutional Values
- Director, Communications Services
- Director, Corporate Social Responsibility
- Director, Editorial
- Newsjacking Center
- Program Manager
- VP, Communications and Public Affairs
- Videographer
- VP, Content Marketing
- VP, Global Communications

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ARTHUR W. PAGE SOCIETY

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

These seven Page Principles were derived from the lifetime of work, including speeches and writings, of the Arthur W. Page. Though Page did not write them himself, the Society believes it important to capture, honor and promote the tenets by which Page practiced public relations.

- **Tell the truth.** Let the public know what's happening with honest and good intention; provide an ethically accurate picture of the enterprise's character, values, ideals and actions.

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

- **Listen to stakeholders.** To serve the enterprise well, understand what the public wants and needs and advocate for engagement with all stakeholders. Keep top decision makers and other employees informed about stakeholder reaction to the enterprise's products, policies and practices. To listen effectively, engage a diverse range of stakeholders through inclusive dialogue.

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

- **Conduct public relations as if the whole enterprise depends on it.** No strategy should be implemented without considering its impact on stakeholders. As a management and policymaking function, public relations should encourage the enterprise's decision making, policies and actions to consider its stakeholders' diverse range of views, values, experience, expectations and aspirations.

- **Realize an enterprise's true character is expressed by its people.** The strongest opinions – good or bad – about an enterprise are shaped by the words and deeds of an increasingly diverse workforce. As a result, every employee – active or retired – is involved with public relations. It is the responsibility of corporate communications to advocate for respect, diversity and inclusion in the workforce and 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 successes with consistent and reasoned attention to information and stakeholders. When a crisis arises, remember, cool heads communicate best.