



# Futurecasting™ Insights Unveiled For America's CEO

What Lies Ahead for Leaders Building, Protecting Corporate Reputation

By Chris Durlak, Partner, Purple Strategies

Change is constant. Stakeholders including consumers, the public, policymakers and investors are demanding more from corporations than ever before. From Black Lives Matter to immigration to climate change, the public expects corporations to play a role in advancing more than just their business.

The result? Corporate reputation now matters

more than ever. Reputation now impacts company financial evaluations, how long an employee stays at a company and how much political or regulatory pressure the company may face. Our firm, Purple Strategies, a corporate reputation and communications firm, has found that over the last decade, companies have made huge strides in managing these opportunities and challenges.

Our clients often ask us, “What comes next?” To answer that question, we talked to some of the top corporate reputation leaders at some of the most high-profile companies in the world.

We call this research “Futurecasting™.”

For Futurecasting™, we conducted interviews anonymously to allow corporate leaders to speak freely and provide the unvarnished truth. From these interviews we’ve developed 12 actionable insights from which all business, communications and public affairs leaders could benefit.

Here are the top three Futurecasting™ insights that are keeping top executives up at night:

1) The call is coming from inside the house. There is a fundamental change occurring with every company’s most fundamental stakeholder group, employees. Corporate leaders used to be able to just count on employees to be advocates and loyal foot soldiers. That’s no longer the case as companies are discovering that employees can not only lapse in advocacy but become vocal external critics.

At Purple, we often refer to the power an individual critic has with \$100 and a Facebook account to do millions of dollars of damage to a company’s reputation. But this also applies to your employees. Platforms like Glassdoor empower employees to air once-private criticisms anonymously to the entire world.

A mindset shift needs to occur internally to treat employees as both internal and external stakeholders. That shift means utilizing insights in the same fashion you would for external stakeholders including regularly measuring reputation attributes, content and message testing, and incorporating interviews and focus groups. The same shift needs to occur with activation. Running multi-channel communications campaigns, including paid media, to employees and not just relying on internal channels is critical.

## FUTURECASTING INSIGHTS

1. Purpose is no longer differentiating.
2. Deselection by investors and current/prospective employees is the fastest growing driver of corporate behavior.
3. The call is coming from inside the house.
4. Reputation is often viewed as something that happens to you, not something you can actively shape.
5. Communications and public affairs leaders do a disservice when short-handing corporate reputation as CSR or philanthropy.
6. Corporate structures designed over a hundred years ago are huge barriers to effective reputation management.
7. If you’re thinking about your reputation as a score, you’re doing it wrong.
8. Someone is already telling your story. The question is whether you will.
9. Fear of any public criticism causes corporate paralysis for any meaningful action.
10. It’s no longer a choice to separate executive reputation from corporate reputation.
11. The rise of populist governments has made it critical for companies to demonstrate alignment with national interests.
12. Reputation is today’s employee pension.

“While the importance of communications and public affairs has risen, the old mentality that ‘you don’t use it till you need it’ or that certain challenges ‘are just PR problems’ is still prevalent across the corporate world.”

2) Corporate structures designed over a hundred years ago are huge barriers to effective reputation management. You’re not old (probably). But the corporate structure you operate within is likely very old. The corporate structures we know today started to come into existence in the early 20th century. Things like communications and PR were viewed as more nuisance and something required rather than desired. Most companies are not designed to be as proactive and responsive as today’s fast-moving world requires. Critics can pummel the company overnight, while corporate leaders spend time trying to gather the right team to make decisions.

While the importance of communications and public affairs has risen, the old mentality that ‘you don’t use it till you need it’ or that certain challenges ‘are just PR problems’ is still prevalent across the corporate world. There’s an inherent assumption in many companies that business needs and reputation needs are separate. Often business leaders keep communications and public affairs leaders out of key business planning and decision-making. Likewise, we see communications and public affairs leaders develop reputation strategies and campaigns absent the needs of the business.

There’s no one-size-fits-all approach to updating your corporate structure. However, forward-looking companies are now integrating business decision-making with reputation. The actions a business takes are by far a bigger driver of corporate reputation than any glossy advertising campaign you can

create. This isn’t to say that reputation will always override business decisions. The point is we must view business and reputation holistically when making decisions.

3) It’s no longer a choice to separate executive reputation from corporate reputation. Since the beginning we’ve always had well-known CEOs. Rockefeller, Carnegie and Ford have been replaced by Bezos, Buffett and Gates. What’s new is the conflation of a CEO’s personal reputation with the company’s overall reputation. Some CEOs, especially founder CEOs, relish this. But the vast majority do not. Critics have recognized they can have much more success by attacking and prescribing motives to the person rather than the company.

Whether the CEO wants it or not, their reputation is inextricably linked to the company’s. The CEO’s reputation now needs to be managed like a politician with an always-on approach that balances the issue of the day with the long-term priorities of the business. And just like in a political campaign the CEO’s voice needs to be orchestrated with other relevant voices like the entire executive management team.

Learn more from our Futurecasting™ insights at [futurecasting.purplestrategies.com](http://futurecasting.purplestrategies.com).



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*At Purple, Chris’s work includes brand building, public affairs, crisis and reputation management campaigns for well-known brands in the energy, consumer packaged goods, entertainment, gaming and health care sectors. Chris has developed strategies and managed communications campaigns around the world including in Brazil, China, Singapore, France, India, the Philippines, and the United Kingdom.*