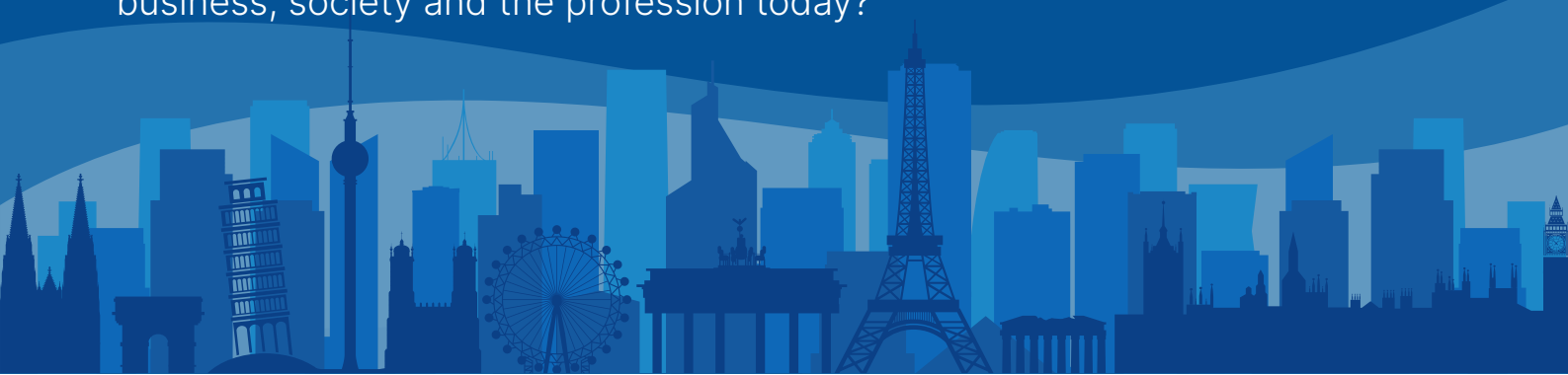


2022 Trends In European Public Affairs Survey Report



How is the European public affairs community addressing some of the biggest challenges facing business, society and the profession today?



EXECUTIVE SUMMARY

The Public Affairs Council's European office conducted an online survey between July and August 2022 to learn how the public affairs community in Europe is looking at some of the biggest challenges facing the profession today. These included the uncertainty of the post-COVID-19 era, the global debate around Sustainability and ESGs, the war in Ukraine, and Diversity, Equity and Inclusion (DEI) in Public Affairs. Here is what we found.

Virtual lobbying is here to stay. COVID-19 restrictions have brought about a decline in traditional engagement and communication, with virtual meetings with policymakers remaining the norm, even after restrictions have been lifted. Public affairs teams believe they have weathered the pandemic well but have a less positive assessment of the EU's and national governments' handling of the crisis.

The war in Ukraine has had limited reputational impact in European organizations. Disruptions caused by the war have been primarily operational, with organizations believing nonetheless that European businesses have adapted well to EU sanctions against Russia adopted as a result of the war. Most organizations expect a limited impact of the war on their public affairs work until the end of the year.

European organizations are facing rising public and government expectations on their ESG performance. But despite the critical importance of sustainability and ESG-related issues when crafting messages and engaging with external stakeholders, public affairs teams struggle with a wide range of challenges when lobbying on these topics. These challenges include measuring and communicating impact, addressing external misconceptions, translating corporate strategy into concrete activities and messages, and managing unclear regulations.

The public affairs profession still has a long way to go when it comes to DEI. One in every four describes the profession as "not at all diverse." On a more positive note, most respondents report their organizations incorporate DEI considerations into strategic planning and are optimistic about the future: most believe the profession will become more diverse and inclusive in the years ahead.

What is Keeping Public Affairs Professionals Busy in 2022?

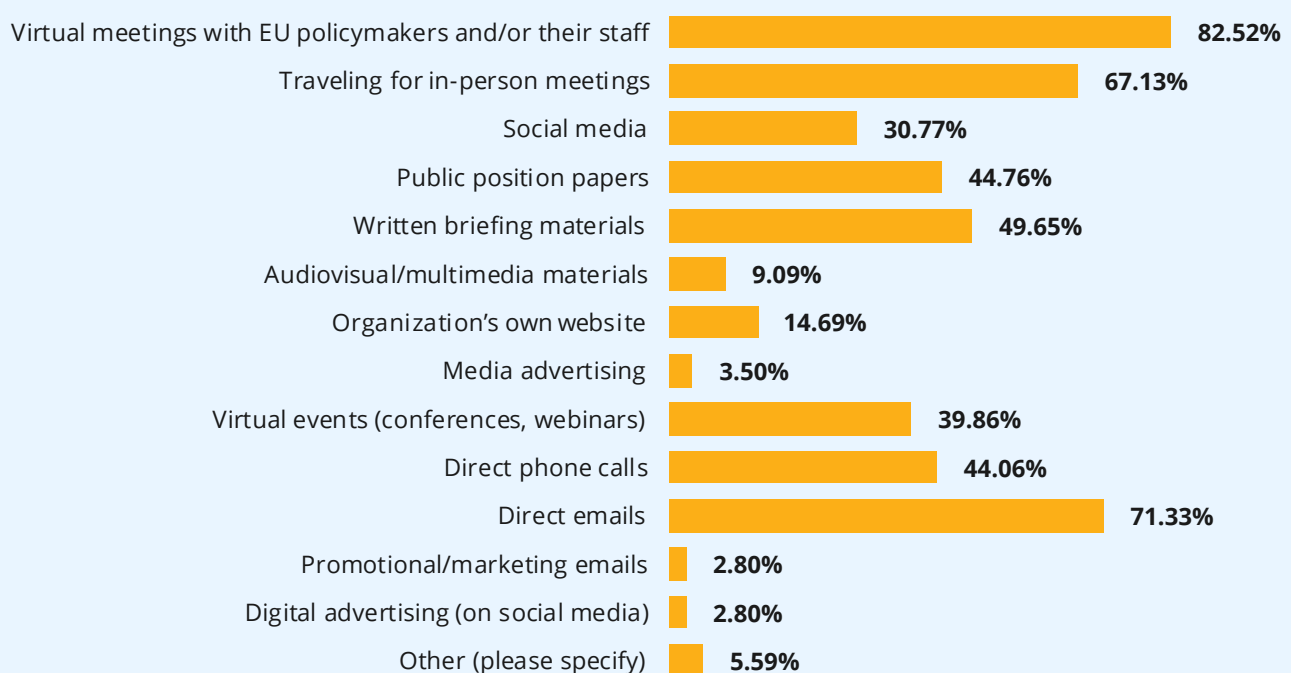
Despite the broad political challenges affecting the international and European landscape, the daily work of public affairs teams is still primarily focused on “industry-specific legislation” (42,67%). However, more than 20% of survey participants reported that “sustainability regulations and ESG reporting” is the challenge with the highest impact on the work of their public affairs team, with another 20% noting their biggest challenge is “the impact of the COVID-19 pandemic on their business.” Only 7% perceived “the war in Ukraine and the sanctions on Russia” as having the highest impact on the work of their public affairs team.

1. Lobbying Through COVID-19 and Beyond

Lobbying is happening increasingly through online tools and platforms, especially through virtual meetings. Overall, respondents believed they managed the pandemic well given the severity of the crisis, but have a less positive assessment of the European Union’s and national governments’ handling of the pandemic.

- An overwhelming majority of respondents (86,01%) “strongly agree” or “somewhat agree” that **COVID-19 restrictions have brought about a decline in traditional lobbying and communication and an increase in the use of digital tools**. A similar percentage of those surveyed also agreed that, **even after COVID-19-related restrictions have been lifted, meeting virtually with EU policymakers will be increasingly normal**.
- **Virtual meetings** are likely to remain the tool of choice for engaging with external stakeholders, with 82.5% of respondents planning to use them regularly until the end of the year. Other preferred methods for external engagement included both online tools, such as **direct emails, virtual events** and **social media** as well as more traditional tools such as **traveling for in-person meetings, written briefing materials, public position papers** and the “good old” **phone call**.

Which tools do you believe you will use most until the end of the current year to engage with external stakeholders?



- When it comes to dealing with the COVID-19 pandemic and its fallout, most “strongly agree” (60,14%) or “somewhat agreed” (30,07%) their **public affairs teams have managed the pandemic well**, given the severity of the crisis. Respondents had a less favorable opinion of the European Union’s and national governments’ handling of the pandemic, with only 16,78% reporting they “strongly agreed” those public authorities have managed the crisis well. The broader opinion was, nonetheless, generally positive, with more than half still praising the EU and national governments for their efforts.

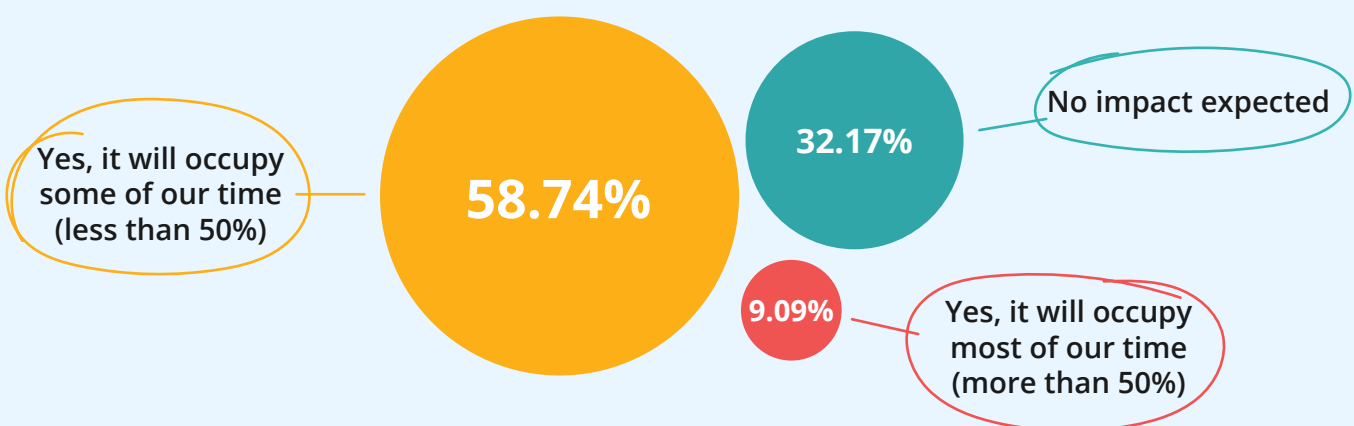
More than 60% strongly agrees that their teams have managed the COVID19 pandemic well, but only over 15% have a strong positive impression of the handling of the pandemic by the EU and national EU governments.

2. The War in Ukraine and Its Impact on Public Affairs

The impact of the ongoing war in Ukraine on businesses in Europe has been primarily operational, with fewer than one in five respondents admitting the conflict has impacted their organization’s reputation as well. There was broad agreement that businesses have adapted well to the sanctions against Russia adopted by the EU.

- Most respondents (53,85%) agreed the war in Ukraine has had an impact on their organization, but the majority of those (79,01%) said that **impact has been primarily operational**. Only 17,28% of those who agreed the war has had an impact on their organization believed the conflict has impacted their organization’s reputation.
- There was a **positive assessment of the way European business has dealt with the sanctions adopted by the EU** in response to the war, with 76,43% indicating their organizations have adapted “very well” or “moderately well.” Some respondents highlighted the complexity of implementing these sanctions — in particular for smaller businesses or associations — as well as their impact in the long run if, for example, there are energy shortages over the winter in Europe.

Between now and the end of the year, do you expect your public affairs work will be impacted by the war in Ukraine?



- Most respondents expected the war in Ukraine to have some impact on the work of their public affairs team (58,74%) in the months ahead, whereas 32,17% indicated they are expecting no impact and only 9,09% anticipated it will occupy most of their time.

3. Sustainability and ESG: Rising Expectations from Society and Governments

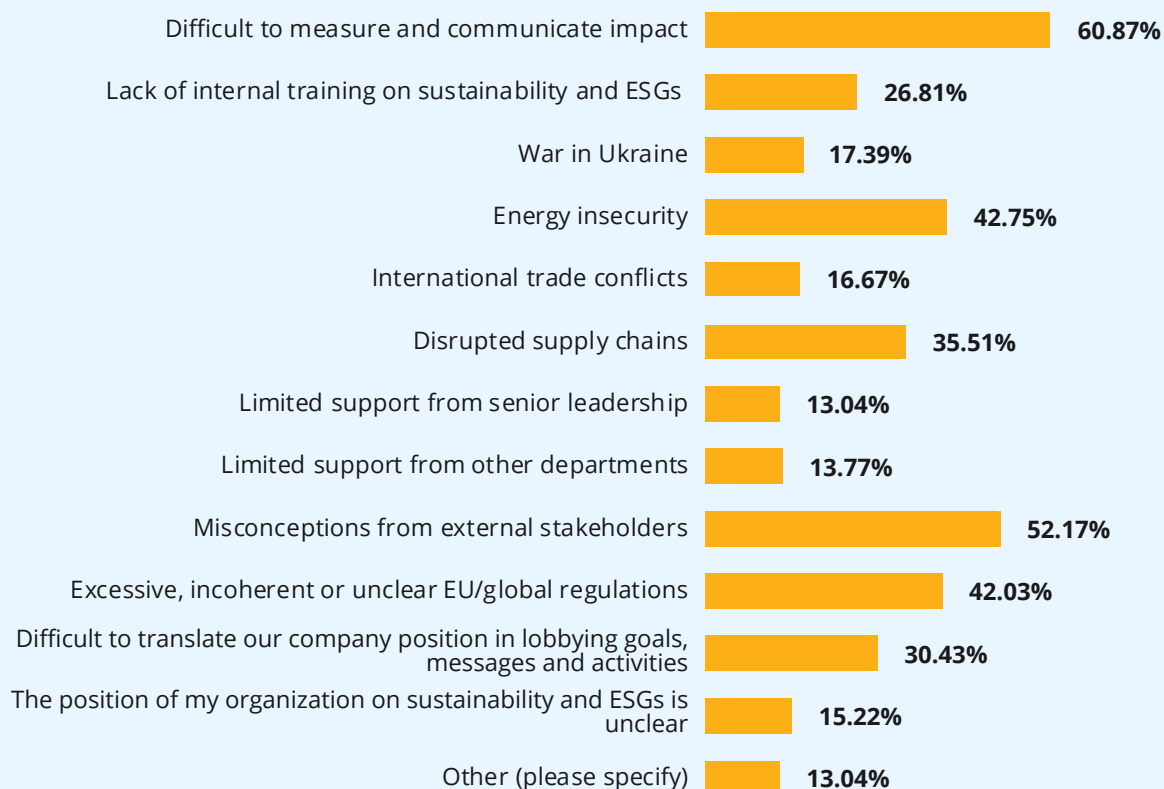
Public affairs teams were aware of the rising importance of sustainability and ESG issues for EU policymakers, national governments and the European public. At the same time, they admitted to facing important challenges in lobbying on these issues, such as measuring impact, managing misconceptions and formulating goals and messages.

- An overwhelming 95,68% of surveyed participants agreed **their organization is facing rising public and government expectations to address sustainability concerns and ESG criteria**. A similar percentage believed that taking sustainability and ESG considerations into account when engaging with external stakeholders was “very important” (67,39%) or “moderately important” (26,81%).

Over 95% believes their organizations are facing rising public and government expectations to address sustainability concerns and ESG criteria, and should take those considerations into account when engaging externally.

- What are the biggest challenges for public affairs teams when it comes to lobbying on sustainability and ESG-related issues? They are the **difficulty in measuring and communicating impact, managing misconceptions from external stakeholders**, and dealing with the **lack of clarity on how to translate the company's position into lobbying goals, messages and activities**. External challenges to lobbying effectively on ESG-related issues included **energy insecurity, incoherent EU and global regulations** and **disrupted supply chains**.

What do you consider to be some of the biggest challenges public affairs teams face when it comes to lobbying on sustainability and ESG-related issues?

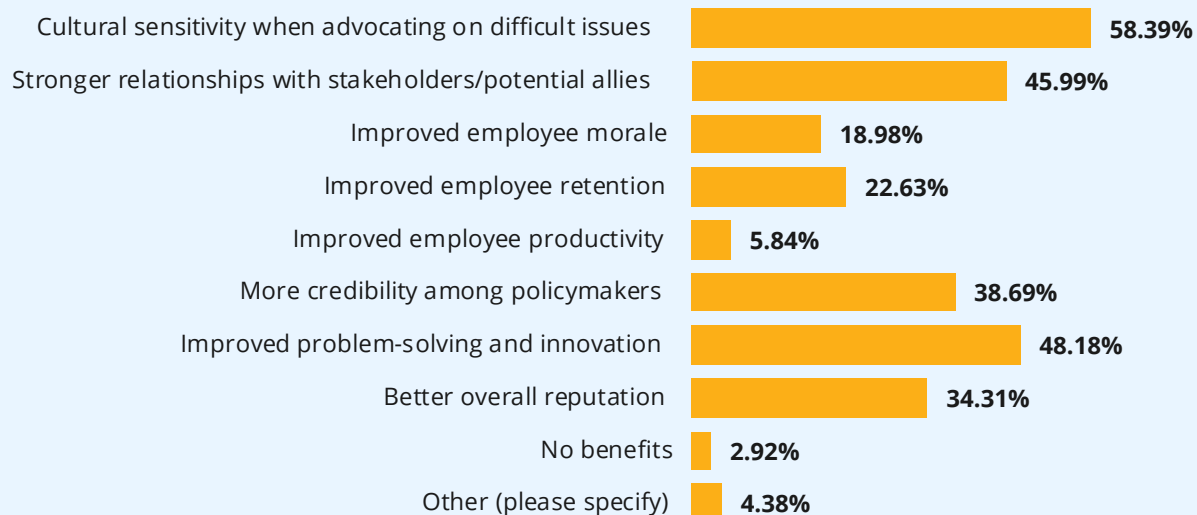


4. Diversity, Equity and Inclusion (DEI) in European Public Affairs

Survey respondents had a mixed assessment of the diversity of the public affairs profession. Half considered the profession as “somewhat diverse,” whereas one in four considered the profession “not at all diverse.” The future looks brighter though, with most organizations incorporating DEI considerations into their strategies, and three in four respondents believing the profession will become more diverse in the future.

- Almost half of respondents believed the public affairs profession was “somewhat diverse” (46,72%). But a high percentage (27,74%) **said it was “not at all diverse”** and 18,98% described it as “very diverse.”
- Most respondents (78,11%) said their **organizations incorporate DEI considerations into their strategic planning**, with almost half of respondents reporting they have formal plans for doing so. On the other end of the spectrum, 15% noted their organizations still do not have plans to incorporate DEI into their strategic plans and a similar percentage “did not know” or did not answer this question.
- The **key benefits for the public affairs function** that could come from organizations making a greater commitment to DEI were:
 - *Cultural sensitivity when advocating on difficult issues*
 - *Improved problem-solving and innovation*
 - *Stronger relationships with stakeholders and potential allies*
 - *More credibility among policymakers*
 - *Better overall reputation*

In your view, what are the top THREE (3) benefits for the public affairs function that could come from organizations making a greater commitment to DEI?



One in every four describes the public affairs profession as not at all diverse. But optimism prevails, as more than 75% believe the profession will become more diverse in the next 3 to 5 years.

- Respondents had an **optimistic outlook on the future of the public affairs profession**, as far as DEI is concerned, with three in four assessing the profession will become “much more diverse and inclusive” or “somewhat more diverse and inclusive” in the future, against only 2,24% anticipating the profession will become “somewhat less diverse and inclusive.” None of the participants believed the profession will become “much less diverse and inclusive.”



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METHODOLOGY:

Results were compiled from the usable responses of 152 Europe-based participants to an online survey conducted between 13 July and 5 August 2022.

ABOUT THE PUBLIC AFFAIRS COUNCIL:

Both nonpartisan and nonpolitical, the Public Affairs Council is the leading association for public affairs professionals worldwide, with offices in Washington, DC, and Brussels. The Council's mission is to advance the field of public affairs and to provide its 700 member companies and associations with the executive education and expertise they need to succeed while maintaining the highest ethical standards. Learn more about the Council at pac.org/europe.

CONTACT

Brussels:
europe@pac.org
(+32) 476.639.503

Washington, DC:
pac@pac.org
(+1) 202.787.5950