

## Executive Summary

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These are tough times in America. The conventional wisdom is that Americans blame big institutions — big government, big business and big media — for the problems. While there is truth in that view, the public still finds more to like than to dislike about major companies.

Americans think big business performs admirably in providing useful products and services and generally does a good job of serving consumers. But they also say major companies have too much power and that their profits are too large. In particular, the chief executive officers of major companies are a target for negative sentiment. CEOs are widely criticized for high compensation and low ethical standards.

These are some of the major findings of the *Public Affairs Pulse*, a new annual survey commissioned by the Public Affairs Council. The Council is a nonpartisan, nonpolitical association of corporate and nonprofit public affairs executives. The survey, designed and executed by Princeton Survey Research Associates International, is based on telephone interviews in English and Spanish with 1,753 adults age 18 or older living in the continental United States. Interviews were conducted on both landline telephones and cell phones. The interviews were conducted from August 10 through September 8, 2011.

### Favorable and unfavorable

A majority of Americans (61%) say they have a favorable opinion of major companies. That includes 14 percent with a very favorable opinion and 47 percent with a somewhat favorable opinion. About a third of the public (32%) holds unfavorable views, with 20 percent saying they are not too favorable and 12 percent saying they are not at all favorable toward major business.

### Doing the basics well

When it comes to the basics, major companies are credited with doing their job well. Nearly three in four Americans (72%) say that major companies are generally doing a good job of providing useful products and services. A solid majority (62%) also think that major companies generally do a good job of serving their customers.

### Greed, power and CEOs

Despite their overall positive view, Americans also see much to dislike about major companies. Major companies are widely thought to be greedy organizations that make more profit than they should. Many people think CEOs are paid too much, while regular workers and lower-level managers are paid less than they deserve. Three-quarters of the public (77%) endorse the view that there is too much power in the hands of a few large companies. And three-quarters think companies do a poor job of reining in executive pay.

### **A bad economy**

Americans, not surprisingly, say the economy is in bad shape. And they are not optimistic about the future, especially for middle-class citizens. Even as the public sees business as the source of much of the country's strength, only one American in four (24%) sees major companies as generally doing a good job of creating jobs. Fully seven in ten (71%) criticize companies for not doing a good job of increasing employment.

### **High expectations for business**

Many people want major companies to be full, active partners in taking on the big problems that have traditionally been the province of government. Whether it is education, health care, helping communities or disaster relief, the public wants to see business play a greater role in addressing the country's issues. In some specific cases, they do not see companies doing a very good job dealing with challenges such as creating jobs and protecting the environment.

### **The role of lobbying**

Lobbying and lobbyists have a negative reputation in the public's eyes, with Americans thinking less favorably of a company that hires lobbyists. But, presented with a range of reasons for a company to get politically engaged, the public by and large approves of such lobbying activities.

### **Disaster response**

When faced with a major corporate disaster, the public wants companies to act and answer. With the memory of the BP oil well blowout in the Gulf of Mexico still fresh in people's minds, taking quick action to pay the costs for those affected is the top-ranked move for a company, with more than two-thirds (69%) saying this would help a lot in making people think a firm is responding properly to a crisis. Companies also get credit for making their top executives face the public, firing those responsible for the problem and taking other active steps to deal with the disaster.

### **Big business versus small business**

Americans have strong positive feelings about small business, in contrast to their more mixed views of big business. For example, in straightforward favorability, small companies win easily, with 90 percent giving a favorable view, compared with 61 percent for major companies.

### **Activists make their opinions known**

One-quarter of Americans are defined as activists based on their level of civic and political engagement. Activists share the general public's overall positive view of major companies, but they show themselves to be less trusting of certain types of companies — specifically, big banks, big pharma and major energy companies. Activists also make greater use of the Internet and social media tools to express their views about companies, whether positive or negative.