

2011  
**PUBLIC AFFAIRS PULSE**  
Survey

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What Americans Think About Business

A national survey  
commissioned by:



PUBLIC  
AFFAIRS  
COUNCIL

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Conducted by Princeton Survey Research Associates International

## 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.

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## Chapter 1: More to Like than Dislike

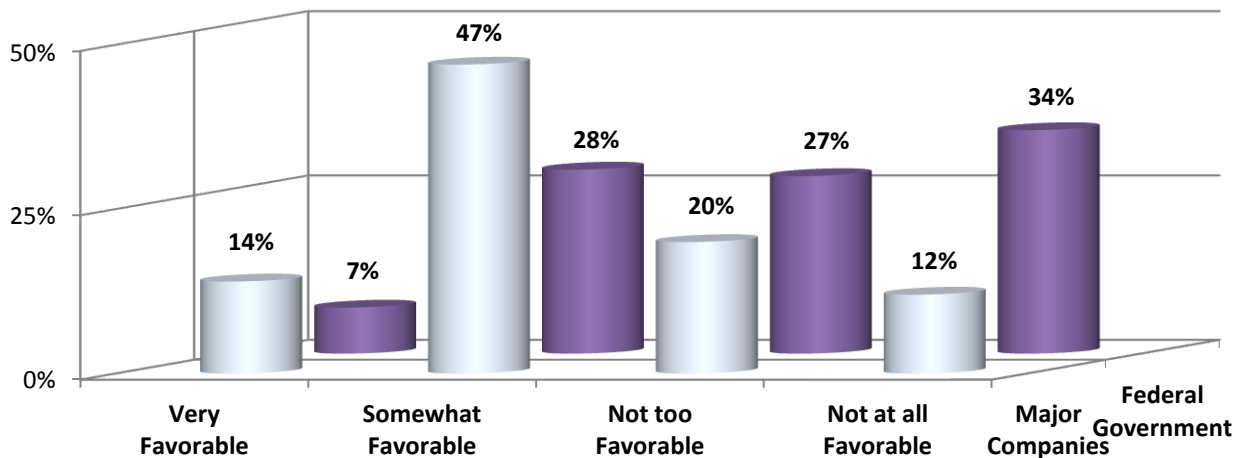
These are tough times in America. The conventional wisdom is that Americans blame big institutions — big government, big business and big media — for the problems. People are having a difficult time trusting institutions they have relied on for years — with business perceived as becoming too powerful and government too dysfunctional.

While there is much truth in that view, the public still finds more to like than to dislike about major companies today.

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. The remainder did not give an opinion.

These views of major companies stand in stark contrast to views of the federal government. Only 35 percent express a favorable view of the federal government in Washington, D.C., with seven percent having a very favorable opinion and 28 percent a somewhat favorable opinion. Fully 61 percent express unfavorable views. That includes 27 percent who are not too favorable and 34 percent who are not at all favorable.

### Chart 1: Favoring Business or Government



Asked why they gave favorable ratings to major companies, the public mentions the large number of people major companies employ (17%), the quality and price of their products (10%) and the role of business in driving the economy and creating wealth (9%). A fascinating sidelight that captures the ambivalence of the public is that 12 percent of those who gave major companies favorable ratings then proceeded to explain why their rating was not more favorable. About seven percent explain that their concerns about corporate greed and high profits held down their ratings, and five percent say the belief that major companies hurt small businesses was a reason.

### Divisions by age and party ID

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Attitudes toward major companies vary among some subgroups – and the results are fascinating given the makeup of the recent protests in New York and other cities. For example, younger Americans are somewhat more favorable toward major companies than are older Americans. Members of Gen Y/Millennials (age 18-34) have favorable views of major companies by a hefty 71 percent to 25 percent, and the Gen X group (age 35-46) has similar opinions. But Baby Boomers (age 47-65) are less positive (54%-38%), as are older Americans (52%-37%). Across the political spectrum, it is not a surprise that Republicans are the most apt to hold favorable views about major companies (71%), with independents (59%) and Democrats (56%) feeling less favorable.

### Corporate trust

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As in overall favorability, major companies do reasonably well in terms of being regarded as trustworthy. A majority of the public says they trust major companies at least somewhat. That includes eight percent who trust major companies “a lot” to do the right thing and 46 percent who express some trust of companies. Forty-five percent tend not to trust major companies, with 33 percent saying “not too much” and 12 percent expressing no trust at all.

But the public sees major differences between different types of companies.

Companies that receive the highest level of trust are those in the technology sector, with fully 29 percent of the public saying such companies are more trustworthy than their counterparts in other sectors.

Manufacturing, large retail and food and beverage companies rank about average in trustworthiness.

With the events of the past few years, it is no surprise that energy companies and banks and other financial institutions rank much lower in terms of public trust. At the very bottom are drug companies and health insurance companies.

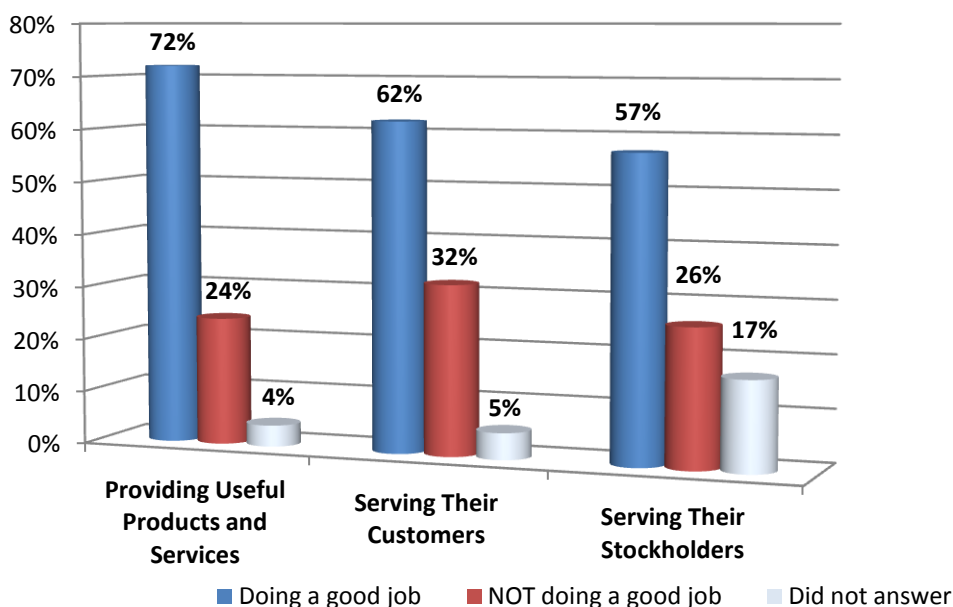
<b>Table 1: Trust every company? Not so fast</b>			
	Less trustworthy	About the same	More trustworthy
Health insurance companies	53%	40%	5%
Pharmaceutical companies	47%	41%	11%
Banks and other financial institutions	41%	42%	16%
Energy companies	33%	51%	14%
Food and beverage companies	16%	65%	18%
Large retail companies	14%	71%	14%
Manufacturing companies	14%	66%	17%
Technology companies	10%	58%	29%

## Chapter 2: Business Does the Basics Well

When it comes to the fundamentals of running a business, Americans say major companies do their job well. A solid majority says companies are generally doing a good job of providing useful products and services. And a majority also say companies serve their customers well.

Nearly three in four Americans (72%) say that major companies are generally doing a good job of providing useful products and services. About a quarter of Americans (24%) say companies are generally *not* doing a good job. Positive views decline somewhat when the issue turns to how major companies serve their customers. A majority (62%) say major companies do a generally good job of serving their customers. But about one-third (32%) say companies are *not* doing a good job.

### Chart 2: Where Companies Are Doing a Good Job



Business executives often talk about the importance of serving their stockholders. The public agrees that major companies are succeeding in that dimension, with 57 percent saying that companies are meeting stockholder needs. One-quarter (26%) disagree that stockholders are served well. It is worth noting that one in six Americans in the survey do not answer this question, suggesting a sizable chunk of the public does not understand the concept or is not aware of what companies do to achieve this goal.

Business also gets credit for its role in keeping the country strong. Sixty percent agree that “The strength of this country today is mostly based on the success of American business,” while 36 percent say business “gets more credit than it deserves.”

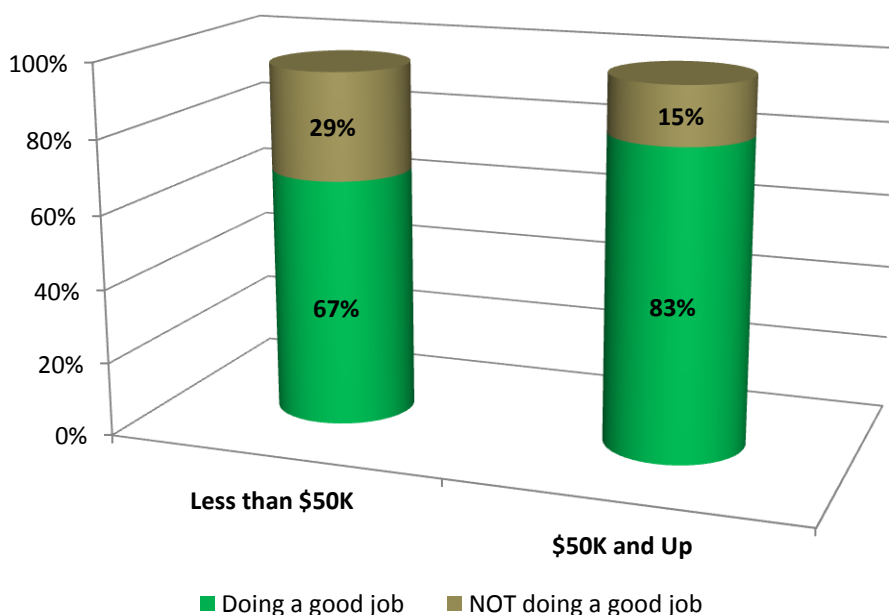


## Differences by key subgroups

Opinions of the job major companies are doing vary somewhat by demographic subgroups. Some of the largest variations are seen by income.

For example, there is substantial variation by income in opinions of companies' performance in providing quality products and services and serving shareholders. In terms of providing good products, 83 percent of those with household incomes of \$50,000 and up say major companies are doing a good job, with only 15 percent saying they are doing a poor job. Among lower-income Americans, the view is still positive but by a smaller margin: 67 percent say companies do a good job, and 29 percent think otherwise.

### Chart 3: Providing Good Products by Income



There is little difference by income in the views of the job companies do in serving customers: 62 percent of lower-income Americans agree that companies do this job well, versus 65 percent of the higher-income group.

These questions provide insight on the complexity of Americans' views of major companies. Those who hold favorable views of companies overwhelmingly (80%-18%) say companies provide useful products. And even those with negative views of companies generally share the opinion that companies provide quality products (61%-35%). In contrast, those with favorable views of companies say the businesses do a good job of serving their customers (71%-24%). But those with unfavorable views of companies tilt negative in their views of companies' customer service, 46%-50%. In other words, people who don't like big companies are more likely to say that customer service is bad. Or, perhaps, people with bad customer service experiences are more likely to think negatively about big companies.

## Chapter 3: Greed, Power and CEOs

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Despite their overall positive view of business, Americans also see much to dislike in major companies today. Americans see major companies as greedy, making more profit than they should and overpaying CEOs while paying their workers and lower-level managers less than they deserve. CEOs, in particular, are targeted for receiving high compensation and having low ethical standards.

Some of these attitudes are long-held views that seem unchanged by recent events. Three-quarters of the public (77%) agree that “Too much power is concentrated in the hands of a few large companies.” Only 20 percent say “The largest companies do *not* have too much power.” This is a question that has been asked for years, and there has been essentially no change in response for more than a quarter-century.<sup>1</sup>

A substantial majority (62%) also agrees that “Major companies make too much profit.” Thirty-five percent take the opposing view that “Most major companies make a fair and reasonable amount of profit.”

### CEOs are a target

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The public doesn’t universally dislike big companies, but it has concerns about the people who run them. A strong majority of Americans see major companies as guilty of overpaying their top executives. Only 17 percent say companies are doing a good job of “not overpaying their top executives.” A large majority (76%) say companies are *not* doing a good job of keeping top executives’ pay within reasonable bounds.

Conversely, the public does not think companies are paying other workers fairly: Only 38 percent say major companies are paying their employees fairly. But 56 percent say companies are not doing a good job on this.

Similarly, the public has a negative view of the ethics and honesty of CEOs of major companies. Nearly half (48%) rate the honesty and ethics of CEOs as low. Only six percent rate CEO ethics as high, and 44 percent say their ethics are average.

Interestingly, the lower an employee’s level in a company, the higher the public’s view of that person’s honesty and ethics. The ratings received by managers who work for major companies are 25 percent low, 61 percent average and 12 percent high. The ratings for honesty and ethics received by major companies’ employees who are *not* managers are

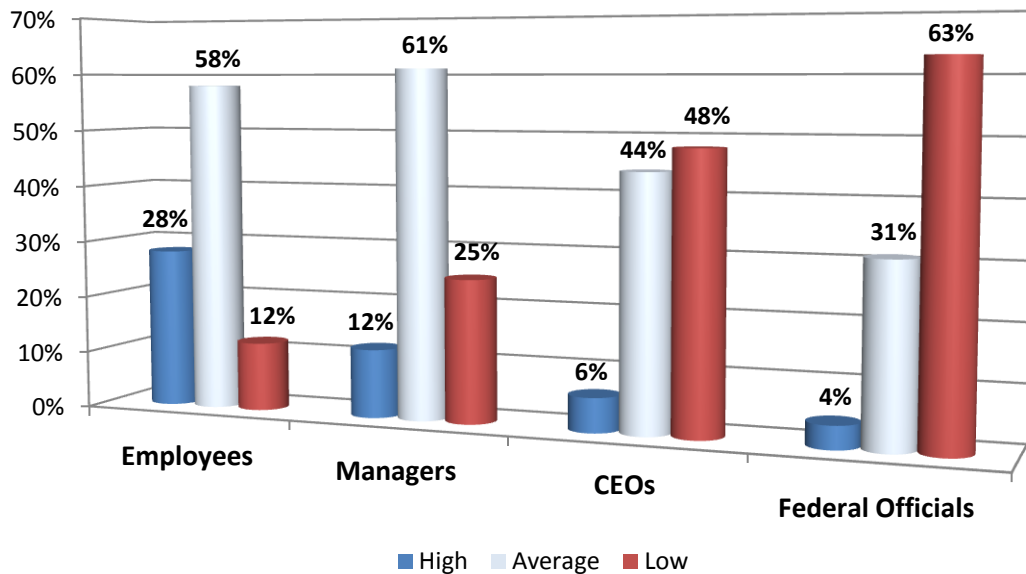
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<sup>1</sup> In at least six national surveys since 1994, roughly three-quarters of Americans agree that companies have too much power. The full trend is available in survey topline.

significantly more positive: only 12 percent low, 58 percent average and over a quarter (28%) high.

Americans were asked about the ethics and honesty of other groups as well. Lowest on the public's list are government officials in Washington: 63 percent rate their honesty and ethics as low, 31 percent as average and just four percent as high.

**Chart 4: Honesty and Ethics**



### Executive bonuses

One of the key reasons that Americans do not think highly of top corporate executives is their compensation. Substantial salaries, big bonuses and rich perks do not sit well with the public.

One indication of these views is a pair of questions about bonuses for top executives. Asked if giving top executives large bonuses when a company is doing well would make them feel more or less favorable toward a major company, the public's response is basically negative. One-half (49%) say handing out bonuses when times are good would make them feel more unfavorable toward the company, versus only 16 percent who would feel more favorable. About a third (32%) say it would not make any difference.

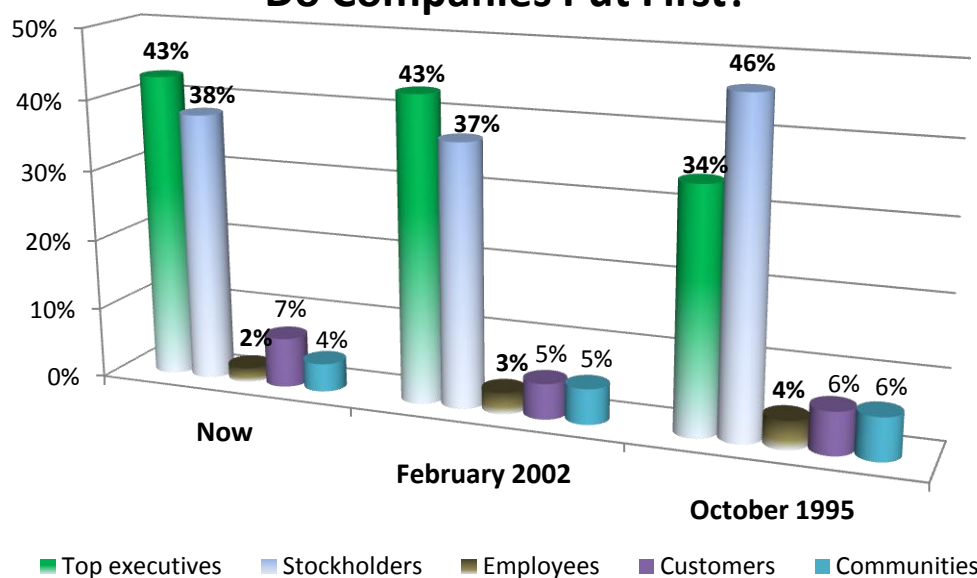
But that view is positively sunny compared to what Americans think about large executive bonuses awarded when the company is *not* doing well. Nearly nine in ten (87%) say they would think more unfavorably of a company that awards such bonuses when times are bad, with only two percent being more favorable. Nine percent say it would not make any difference.

## Putting whose interests first?

Americans think major companies put the interests of their own top executives first, ahead of their employees, their customers and their stockholders. That view is little changed in the past decade, and it has changed only slightly in more than a quarter-century.

More than two in five Americans (43%) say that most major companies put the interests of their top executives first. Almost as many (38%) say companies put their stockholders' interests first. Only seven percent say companies put their customers' interests first, and four percent say companies put the interests of their communities first. At the bottom of the list of corporate priorities, say respondents, are employees; only two percent say firms put their interests first. Those numbers are virtually identical to a poll taken in 2002.<sup>2</sup> And the change from a poll in 1995<sup>3</sup> was that the public at that point said companies put stockholders first and top executives second.

### Chart 5: Whose Interests Do Companies Put First?



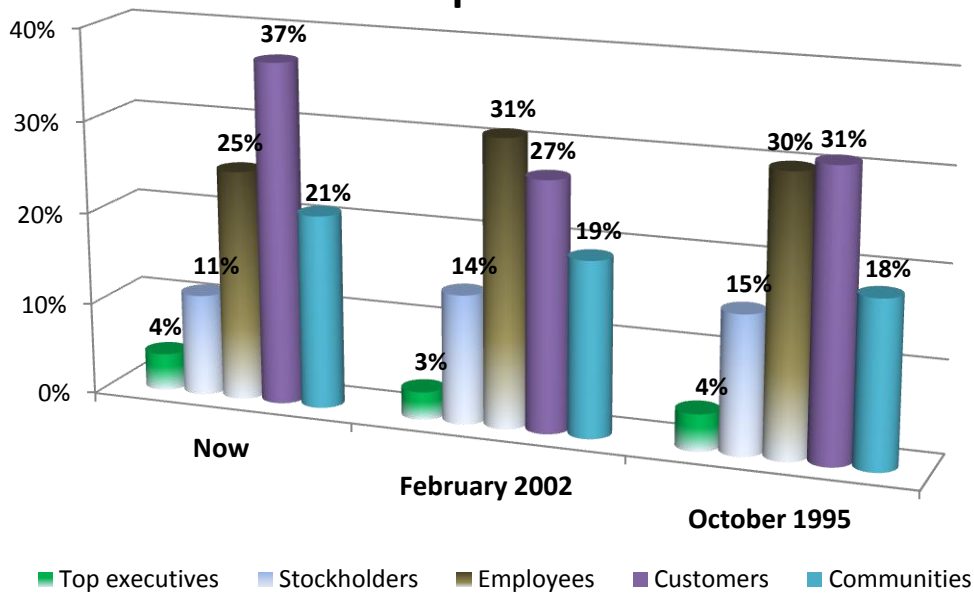
Whose interests does the public say major companies *should* put first? The answer is clear: their customers. Nearly four in ten Americans (37%) say major companies should put the interests of their customers first. Another quarter (25%) says companies should put their

<sup>2</sup> February 2002 trends are based on the Pew Research Center for the People & the Press's "February 2002 News Interest Index." This study was conducted by telephone February 12-18, 2002, among 1,199 adults 18+ nationwide.

<sup>3</sup> October 1995 trends are based on the Times Mirror Center for the People and the Press's "October 1995 Typology Survey." This study was conducted by telephone October 25-30, 1995, among 2,000 adults 18+ nationwide.

employees' interests first. Almost as many (21%) say companies should give priority to the interests of the communities where they are located. At the bottom of the public's list are the two groups people think companies actually put first: stockholders (11%) and top executives (4%). These numbers are essentially unchanged since 1995.

**Chart 6: Whose Interests Should Companies Put First?**



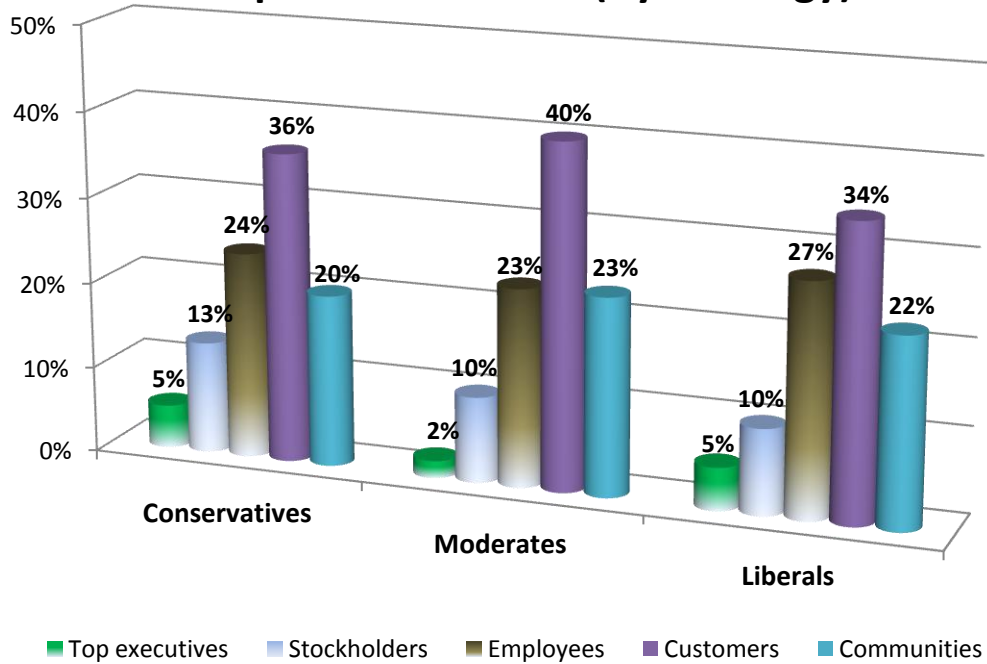
**Not much ideology here**

Whatever one's expectations, these views of major companies are not driven largely by ideology.

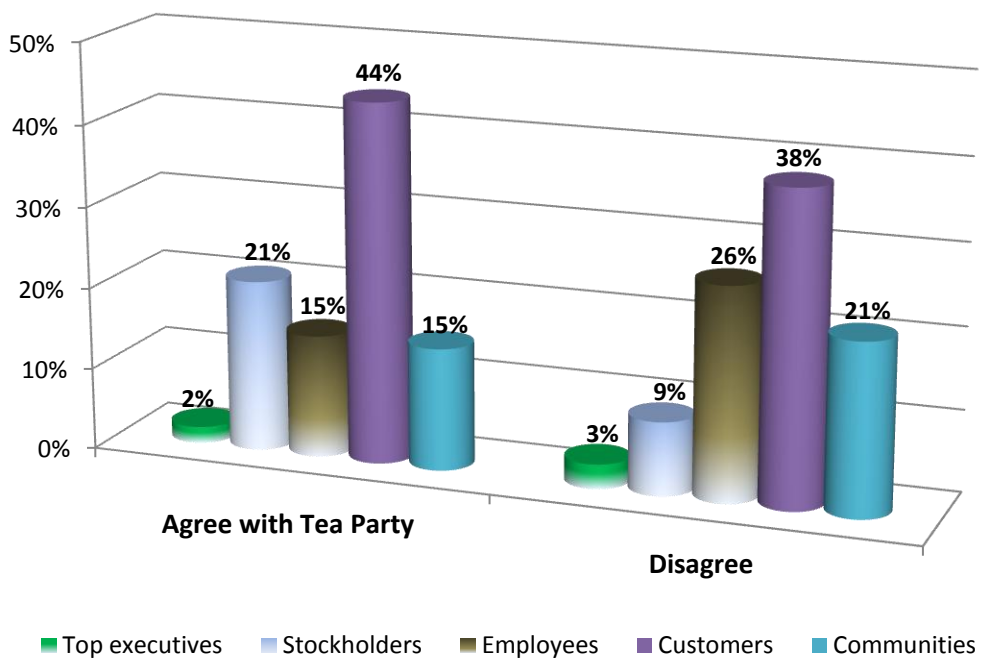
Political liberals and conservatives, Republicans and Democrats, supporters and opponents all think major companies put the interests of their top executives and shareholders first and those of their customers and employees down at the bottom. The differences that do emerge are as follows: Democrats and liberals are more likely to say companies put the interests of executives first and those of stockholders second. Republicans and conservatives are more likely to split, with the interests of stockholders and top executives sharing the top position.

When it comes to whose interests major companies *should* put first, ideology plays very little role at all. Americans think customers should be major companies' first priority, followed by employees, their communities and then their stockholders. Top executives are uniformly at the bottom.

### Chart 7: Whose Interests Should Companies Put First? (By Ideology)



### Chart 8: Whose Interests Should Companies Put First? (By Tea Party Views)



## Chapter 4: The Economy, Jobs and Major Companies

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It is no surprise that Americans think the economy is in bad shape. And they are not optimistic about the future — especially for middle-class citizens. Business does not get the lion's share of the blame for the economic situation: The federal government is also considered at fault. Even as the public sees business as the source of much of the country's strength, Americans are overwhelmingly convinced that major companies should do much more to provide jobs.

The numbers on economic perception are dark. Almost three-quarters of the public (72%) rate the national economy as poor. Nearly a quarter more (23%) say it is only fair. Less than one in 20 (4%) see the economy as excellent or good.

Americans show little optimism about where things are headed in the next year. Nearly one in three (31%) thinks the economy will get worse, while only about one in five (21%) believes the economy will improve. Forty-four percent expect no change.

### The role of business in creating jobs

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The public does not see major companies as being a positive enough force in creating jobs in this tough economic environment, and they want business to play a larger role. Only one American in four (24%) sees major companies as generally doing a good job in creating jobs. Fully seven in ten (71%) say companies are not doing a good job in increasing employment.

Asked if major companies should be more involved in “improving the economy and creating jobs,” the public gives a resounding “Yes”: 93 percent say they feel major businesses should be more involved in creating jobs, including 84 percent who feel strongly about this. Only five percent say business should not be more involved.

### Moving jobs overseas

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Major companies' moving jobs to other countries where wages are lower has been a frequently discussed impact of the globalization of business. While some argue that such moves are necessary and efficient, Americans strongly disapprove of such actions.

More than eight in ten Americans (84%) say they would feel less favorable toward a company that moved jobs overseas where wages are lower. Only three percent say such moves would make them more favorable toward the company, while 13 percent say it would make no difference.

A frequent argument in favor of moving jobs to lower-wage countries is that such changes allow companies to offer products at lower prices to American consumers. Yet this is not an argument that resonates with the public: 74 percent say they would think less favorably of companies who moved jobs overseas *even if this action resulted in lower prices for American consumers*. Eight percent say they would think more favorably of such companies, and 16 percent say it would make no difference.

## Chapter 5: Corporate Involvement in the Nation's Issues

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Many Americans 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, there is broad public support for business taking a bigger role in tackling the country's issues.

In some specific cases, the public is critical of companies for not doing a very good job in dealing with problems, such as creating jobs and protecting the environment.

The public is divided about whether it is a good idea in general for businesses to actually play a bigger role in providing public services, because the profit motive might trump the public interest.

In addition, Americans' negative attitude toward corporate executives makes them hesitant to support having executives help government leaders address problems.

### The case for corporate involvement

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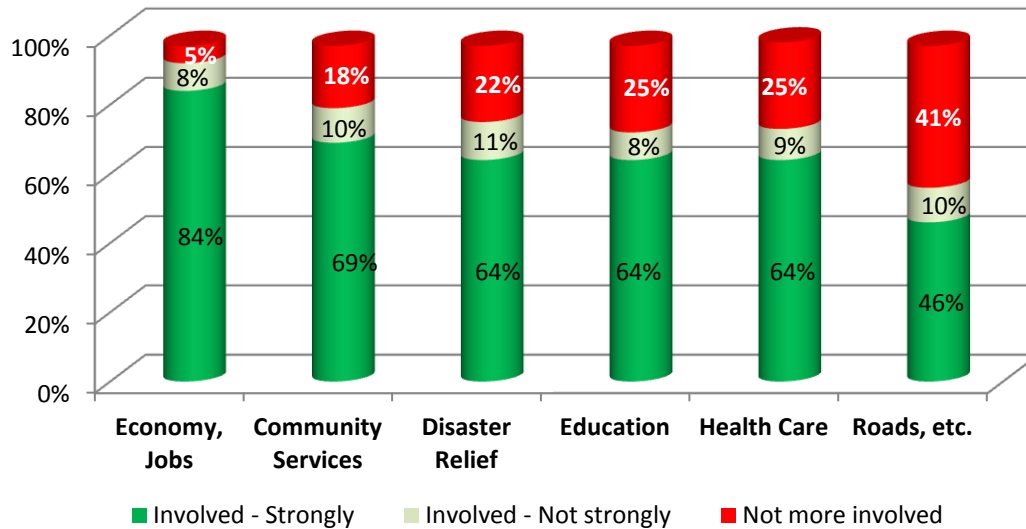
On a wide variety of issues, the public says major companies need to be more involved in solving the nation's problems. As mentioned earlier, more than nine in ten want major companies involved in improving the economy and creating jobs. There is also majority support for business involvement in the five other issues suggested to respondents:

- Providing community services such as food banks, free clinics and job training for the poor (80 percent)
- Providing relief for disasters like floods, tornadoes and earthquakes (76 percent)
- Improving health care (73 percent)
- Improving education (72 percent)
- Improving roads, bridges and mass transit (56 percent)

And in four out of five cases, a majority of Americans expressed strong support for business involvement.



**Chart 9: Issues for Business to Be Involved In**



**Where business is lagging**

In two specific areas, it should be noted the public does not have a positive view about how major businesses are doing.

First, despite the dollars and volunteer hours many companies invest in corporate citizenship endeavors, 57 percent say major companies are generally not doing a good job “contributing to their local communities.” Only 35 percent say companies are doing a good job on that front.

Second, 56 percent think major companies are not doing a good job protecting the environment. Only 38 percent say major companies are doing a generally good job in this area.

While it appears that companies may not be receiving recognition for community involvement programs, corporate contributions to charities and local community organizations do have a positive impact on a major company’s public image. Fully four in five (81%) say they view major businesses more favorably if they make “large contributions to charities and community organizations.” Only four percent say philanthropy would make them look less favorably on companies. Fourteen percent say it would make no difference.

## Not so fast

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While the public wants business to be involved in addressing major societal issues, that desire is qualified in two key ways.

In terms of business actually having a bigger role in providing public services, public opinion is mixed, at best. Forty-six percent say “Businesses should have a bigger role in providing public services because they run things better than government does,” including 31 percent who agree strongly. But an almost equal number (47%) say that “Giving businesses a bigger role is too risky because they might put profits ahead of the public interest.” Thirty-seven percent agree strongly with this opposing view.

In addition, negative views about top business leaders seem to color attitudes toward CEOs joining with government leaders to help solve the nation’s problems. Only 46 percent say “The leaders of major U.S. companies should get involved in helping government leaders address the nation’s top problems.” But a bare majority (51%) take the view that “It is better to keep business and government separate and *not* involve business leaders.”

# Chapter 6: Government Regulation of Business

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Listening to one side in the political discourse, one might believe that Americans dislike government regulation in all its forms. But turning to others in the political marketplace, one might think that Americans want the government to aggressively restrain the banks, protect every consumer purchase and shut down power plants that pollute the air.

The reality is that Americans have mixed feelings about government regulation of business in its many forms.

## Proper levels of regulation

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When asked to judge whether government regulation or the power of major companies is the bigger threat to the future economic well-being of middle-class Americans, 56 percent agree that the greater threat is “The power of the federal government to regulate what major companies do.” Only 33 percent say “The power and influence of major companies” is the larger threat.

Before anti-regulation advocates break out the champagne, they should consider the following. Asked whether the government is doing too much, too little or the right amount of “regulation of business in general,” there has been an uptick in the past 15 years in those who say there is *too little* government regulation. Thirty-five percent say government is doing too little in terms of general business regulation, while 27 percent say government is doing too much. About 36 percent say government is doing the right amount of regulation. The view that government is doing too little has moved up from 19 percent since 1996, while the view that government is doing too much has dropped from 35 percent that year.

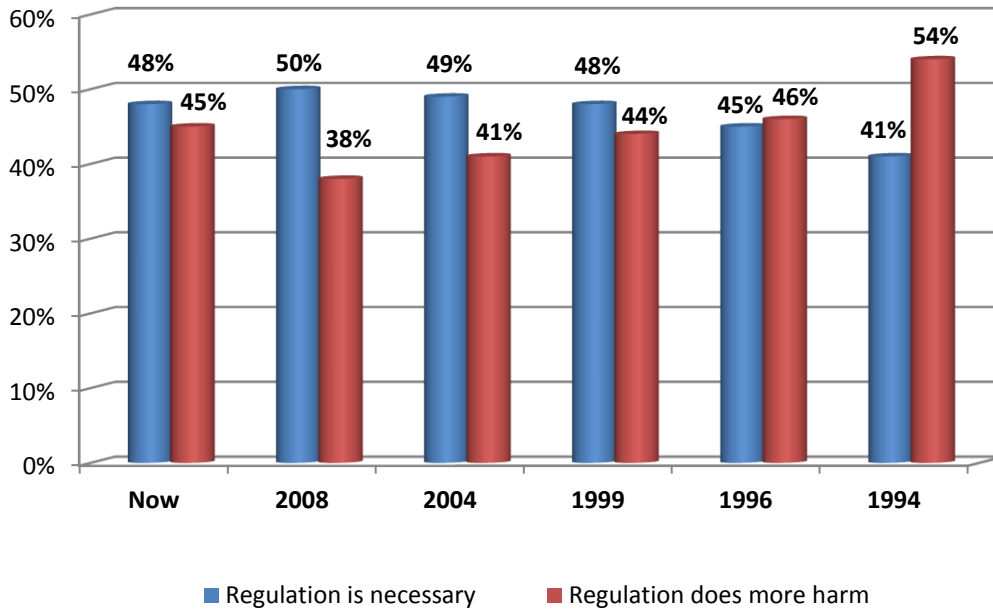
Table 2: Levels of government regulation in general			
	Too much	Too little	Right amount
Current	27%	35%	36%
January 1996	35%	19%	38%

## Split down the middle

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The reality is that Americans are split down the middle on the question of whether government regulation of business is necessary or does more harm than good. This survey finds 48 percent agree that “government regulation of business is necessary to protect the public interest.” Almost as many, 45 percent, take the view that “government regulation of business usually does more harm than good.” Six percent take neither view. This basic view has not varied much over the years.

## Chart 10: Is Regulation Necessary?



On specific areas of regulation, the public's views are varied. For example, in the wake of the financial meltdown, nearly half of Americans (47%) say there is too little regulation of financial institutions. About a third (31%) think there is about the right amount, while 20 percent say there is too much.

To listen to some politicians in recent years, Americans want a lot less environmental regulation. Yet it is clear that Americans tend to want more environmental protection by the government, not less. The numbers are essentially identical to views of bank regulation, with 46 percent saying the government is doing too little in the area of environmental protection.

In contrast, half of Americans say the government is providing the right amount of regulation of health and safety in the nation's offices and workplaces.

Table 3: Government regulation in specific areas			
	Too much	Too little	Right amount
Regulation of banks and other financial institutions	20%	47%	31%
Environmental protection	21%	46%	31%
Consumer protection	11%	45%	40%
Regulation of the Internet	22%	37%	35%
Regulation of health and safety in the workplace	16%	33%	50%

## Chapter 7: Lobbying and Politics

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The image of lobbying and lobbyists has been tarnished in the public's eyes, with more than half of Americans (55%) saying they think more unfavorably of a company that "hired lobbyists to represent the company's interests on policy issues before government." Seven percent think more favorably of such companies, and 34 percent say it makes no difference.

But, presented with a range of reasons for a company to engage directly with the government, the public by and large approves of lobbying activities.

### Lobbying is acceptable

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When presented with five specific lobbying activities, a majority of Americans say such actions are acceptable. Even lobbying to obtain government money or grants is acceptable to half of Americans.

Table 4: When Lobbying Is Acceptable		
	Yes, acceptable	No, not acceptable
Protect jobs at the company	85%	14%
Open new markets for the company	75%	21%
Create a level playing field with competitors here and around the world	72%	22%
Reduce business costs	64%	31%
Secure government funding or grants	50%	45%

### Public concern about other political strategies

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What the public does not like is major companies' getting *directly* involved in politics, whether through paying for ads supporting a candidate or through creating a political action committee (PAC). Thus, it may be the intersection of public policy and political contributions that helps generate distrust of lobbyists and their companies.

Paying for advertising to support a specific candidate is not viewed in a positive light. More than three in five Americans (63%) say such spending would make them think less favorably of a company. Only five percent say it would make them think more favorably, and 30 percent say it would make no difference. But, asked what they would think of a company's paying for ads to promote a specific public policy issue (not a candidate), the view is less negative: 43 percent of Americans say it would make no difference, and 41 percent say it would make them less favorable toward the company. Thirteen percent say such ads would make them more favorable.

Another direct route into electoral politics — forming a PAC — is not favorably viewed. About three in five (59%) say they think unfavorably of a company that forms a PAC that can give to candidates from funds raised from executives, employees and stockholders.

## Chapter 8: Assessing Business Response to Crises

Faced with a major corporate disaster, the public wants companies to act and answer. They want top officials out in public answering questions about what happened and what the company will do about it. They want the company to compensate victims and fire those responsible for the mistakes. Making apologies and running ads explaining the company’s actions also help in the public’s eyes.

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 that step would help “a lot” to make people think the company is responding properly to a crisis. Only 21 percent say it would help a little, and eight percent say it would not help at all.

	<b>A lot</b>	<b>A little</b>	<b>Not at all</b>
Took quick action to pay any costs for those affected – even if it is unclear who is at fault	69%	21%	8%
Had top executives answer questions about what happened and what they intend to do about it	59%	31%	9%
Fired executives and employees responsible for the problem	56%	30%	12%
Paid for ads explaining the company’s actions to fix the problem	45%	37%	17%
Had top executives make a public apology	43%	38%	18%
Filed lawsuits against others who might have been responsible for the problem	35%	37%	25%
Said it would not comment on the crisis until all the facts are available	26%	37%	35%

### Does a good reputation help?

Faced with a crisis, there is the temptation for a major company to fall back on its good reputation and its long history of being a solid corporate citizen as the foundation for winning back the public.

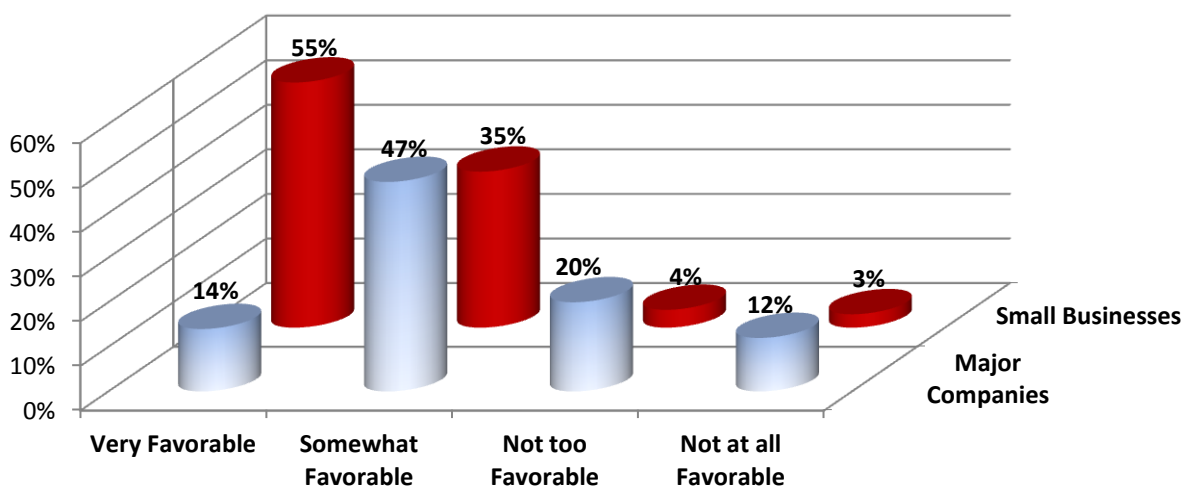
Unfortunately for major companies, this strategy by itself may not work. When Americans are asked what the most important factor is in deciding whether to buy a company’s products or services after a major crisis or disaster involving the company, reputation comes in second. “The company’s honesty and responsiveness in dealing with the crisis” is the choice of 67 percent. Only 15 percent say it is the company’s long-term reputation.

## Chapter 9: Attitudes About Small Business

Americans have very strong positive feelings about small business, contrasting with their more mixed views toward major companies.

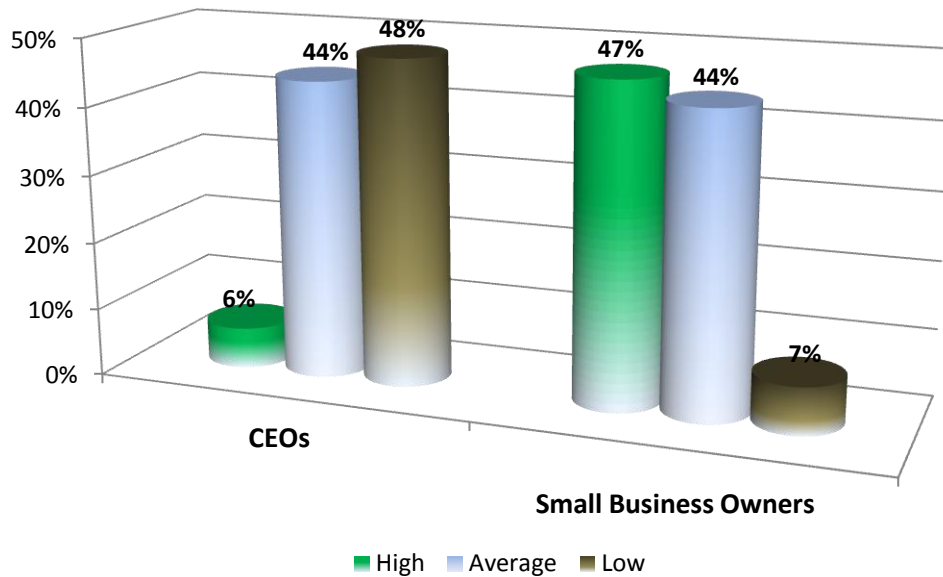
In straightforward favorability, small companies win easily, with 90 percent giving a favorable view, compared with 61 percent who have a favorable view of major companies.

**Chart 11: Favoring Big or Small Business?**



In terms of perceived honesty and ethics, small business wins easily again. Nearly half of Americans (47%) say small business owners have high ethical standards, compared with only six percent of those who say the same about CEOs of major companies. Only seven percent say that small business owners have low ethics, compared with 48 percent who think the same of corporate CEOs.

### Chart 12: Honesty and Ethics



Given a straightforward choice, most Americans prefer to go small as consumers, even if they have to pay more. Sixty-two percent say they would rather do business with “a smaller local company that may charge somewhat higher prices,” while 34 percent would rather do business “with a large national company offering somewhat lower prices.”



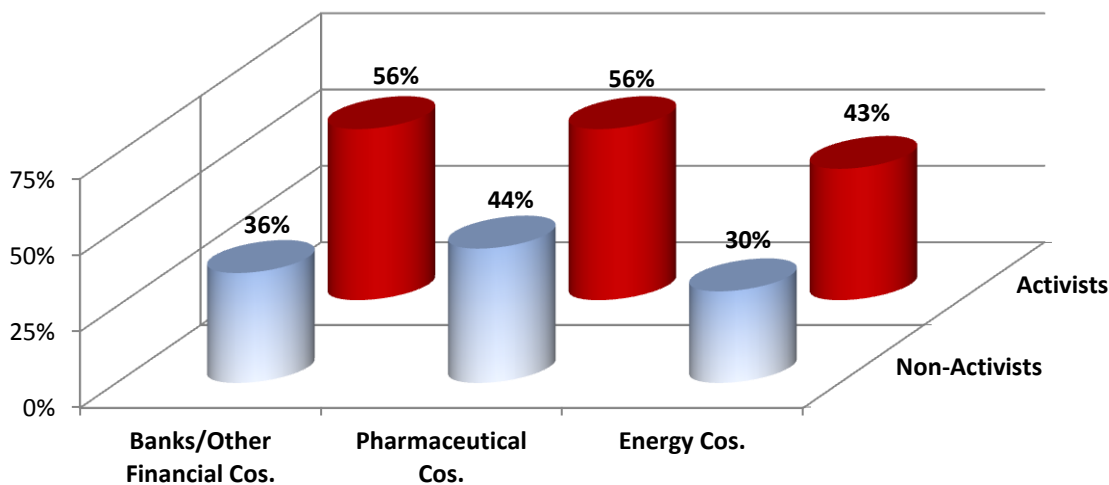
## Chapter 10: Activists Make Their Opinions Known

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All Americans have opinions, but some express them more forcefully and frequently than others. To shine a light on those who speak with a louder voice, the survey zeroed in on the one-quarter (25%) of the public who are “activists,” based on their various civic and political activities.

Activists are older and better educated, but their demographic and political profile is quite diverse. These more engaged citizens mirror the general public in their overall opinion of major companies: 62 percent have favorable views. Where activists distinguish themselves is in their greater distrust of certain types of companies, including banks (56% vs. 35%), pharmaceutical firms (56% vs. 44%) and energy companies (43% vs. 30%).

**Chart 13: Activists Find Some Companies Less Trustworthy**



Activists also differ from non-activists in what they expect from a company facing a crisis of public confidence. Showing transparency (having top executives answer questions) and accountability (firing those responsible) matter more to activists than to other members of the public.

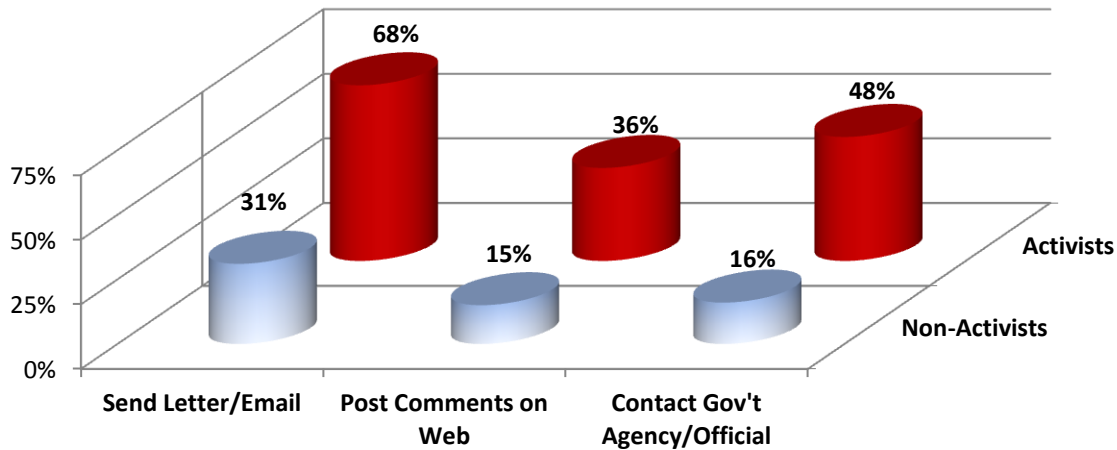
### Tools to praise and criticize companies

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People have a variety of tools at their disposal these days to praise or criticize a company. The most common forms of expression are the same for those with good experiences and those with bad experiences. People most often say they let friends and family know what they think about a company (81% to express positive views and 82% to express negative

views). Next most often, they change their buying habits to purchase more or less of the company's products or services (66% positive and 72% negative).

**Chart 14: Activists More Often Take Steps to Express Negative Views of Company**



Activists are two times as likely as non-activists to send a letter or an email to criticize a company (68% vs. 31%) and three times as likely to contact a government agency or official for the same reason (48% vs. 16%). What's more, they are more than twice as likely as non-activists to post negative comments about a company on the Internet.

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#### About the Public Affairs Council

The Public Affairs Council is a nonpartisan, nonpolitical association for public affairs professionals. Its mission is to advance the field of public affairs and to provide members with the training and information they need to achieve success while maintaining the highest ethical standards. More information is available at [www.pac.org](http://www.pac.org).

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#### About Princeton Survey Research Associates International

Princeton Survey Research Associates International is an independent firm dedicated to high-quality research providing reliable, valid results for clients in the United States and around the world. More information is available at [www.psrai.com](http://www.psrai.com).

# APPENDICES

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## Appendix 1: Topline Results

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### **Business and Society Survey 2011**

Final Topline

9/16/2011

Final Data for August 10–September 9, 2011

Princeton Survey Research Associates International  
for the Public Affairs Council

Sample: n=1,753 national adults, age 18 and older, including 701 cell phone interviews  
Interviewing dates: 08.10.2011-09.09.2011

Margin of error is plus or minus 3 percentage points for results based on Total [n=1,753]  
Margin of error is plus or minus 4 percentage points for results based on Form A respondents [n=873]  
Margin of error is plus or minus 4 percentage points for results based on Form B respondents [n=880]

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#### **LANDLINE INTRO:**

Hello, my name is \_\_\_\_\_ and I'm calling for Princeton Survey Research. We're conducting a study about some important issues today, and would like to include your household. May I please speak with the YOUNGEST [RANDOMIZE: (MALE / FEMALE)], age 18 or older, who is now at home? [IF NO MALE/FEMALE, ASK: May I please speak with the YOUNGEST (FEMALE/MALE), age 18 or older, who is now at home?]

#### **CELL PHONE INTRO:**

Hello, I am \_\_\_ calling for Princeton Survey Research. We are conducting a national research study of cell phone users. I know I am calling you on a cell phone. If you would like to be reimbursed for your cell phone minutes, we will pay all eligible respondents \$5 for participating in this survey. This is not a sales call. (IF R SAYS DRIVING/UNABLE TO TAKE CALL: Thank you. We will try you another time...)

VOICEMAIL MESSAGE (LEAVE ONLY ONCE -- THE FIRST TIME A CALL GOES TO VOICEMAIL): I am calling for Princeton Survey Research. We are conducting a short national survey of cell phone users. This is NOT a sales call. We will try to reach you again.

#### **CELL PHONE SCREENING INTERVIEW:**

S1 Are you under 18 years old, OR are you 18 or older?

IF 18 OR OLDER, READ INTRODUCTION TO MAIN INTERVIEW: We're interested in learning more about people with cell phones. If you are now driving a car or doing any activity requiring your full attention, I need to call you back later.

#### *Notes:*

- *Due to rounding, percentages may not add to 100%. An asterisk (\*) indicates values less than 0.5%.*
- *An asterisk (\*) next to a question number signifies a trend question.*

**Q1** To begin... Just in general, is your overall opinion of [INSERT ITEM; RANDOMIZE a THRU c ALWAYS FIRST, THEN RANDOMIZE dF1 thru fF1] very favorable, somewhat favorable, not too favorable, or not at all favorable?

How about [INSERT NEXT ITEM]? [IF NECESSARY: Would you say your overall opinion of [ITEM] is very, somewhat, not too, or not at all favorable?]

	VERY %	SOMEWHAT %	NOT TOO %	NOT AT ALL %	DK/REF. <sup>4</sup> %
a. Major companies	14	47	20	12	7
b. Small businesses	55	35	4	3	4
c. The federal government in Washington	7	28	27	34	4
<b>Items dF1 thru fF1: Based on Form A</b>					
dF1. Your STATE government	12	46	18	20	4
eF1. Your LOCAL government	16	51	15	14	4
fF1. The news media	16	38	23	21	3

**Q2** You say you have a [INSERT Q1a RESPONSES: very / somewhat / not too / not at all] favorable opinion of major companies. What is the MAIN reason you feel this way? [IF NECESSARY, READ: Just tell me the first thing that comes to mind...] [OPEN-END; RECORD VERBATIM RESPONSE]<sup>5</sup>

**Based on those who have a FAVORABLE opinion of major companies [N=1,047]**

	CURRENT	
%	17	Create/Provide jobs/Employ lots of people
	10	Quality/Price of products/services/Good customer service/Convenience
	9	Drive the economy/Create wealth
	7	Corporate greed/All about money/Prices/Profits are too high/Selfish
	7	Doing a good job/their best
	5	Drive small businesses out/Monopolies
	4	Good for/Helps the country/Keep U.S. going
	4	I work for one
	4	Not hiring/Cutting jobs/Unemployment

Note: Total may exceed 100% due to multiple responses.

Q2 continued on next page...

<sup>4</sup> Throughout this topline, "Don't know/Refused" may be abbreviated as "DK/Ref."

<sup>5</sup> Response categories that did not meet a minimum threshold of 4% of appropriate respondents are not reported here. Non-response percentage for this question is also not reported here.

Q2 continued...

**Based on those who have an UNFAVORABLE opinion of major companies [N=597]**

	<u>CURRENT</u>	
%	23	Corporate greed/All about money/Prices/Profits are too high/Selfish
	10	Don't treat their employees fairly/Cutting benefits/low pay
	10	Not hiring/Cutting jobs/Unemployment
	9	Corrupt/Lack of trust
	9	Moving jobs/business/their money overseas/Outsourcing
	8	Don't pay enough taxes/their fair share
	6	Don't care/Out of touch/Impersonal
	6	Drive small businesses out/Monopolies
	6	High salaries of top management/Bonuses/Scandals
	6	Hurt/Destroyed U.S. economy/Not helping the recovery/Don't care about U.S.
	6	Not consumer orientated/Poor customer service
	5	Lobbying/Buying votes/ Controlling government
	5	Too much power/Too big/Arrogance

*Note: Total may exceed 100% due to multiple responses.*

**Q3** Would you say the national economy today is in excellent shape, good shape, only fair shape, or poor shape?

	<u>CURRENT</u>	
%	*	Excellent
	4	Good
	23	Only fair
	72	Poor
	1	Don't know/Refused

**Q4** Over the next 12 months, do you think economic conditions in the country as a whole will get better, get worse, or stay about the same?

	<u>CURRENT</u>	
%	21	Better
	31	Worse
	44	Same
	3	Don't know/Refused

**Q5** Looking ahead 12 months from today, do you think it will be MORE difficult for middle class Americans to maintain their standard of living, LESS difficult, or about the SAME as it is now?

	<u>CURRENT</u>	
%	52	More difficult
	7	Less difficult
	38	About the same
	2	Don't know/Refused

**Q6** Which ONE of the following do you think is a BIGGER threat to the future economic well-being of middle class Americans? [READ AND RANDOMIZE 1-2]

	<u>CURRENT</u>	
%	56	The power of the federal government to regulate what major companies do
	33	The power and influence of major companies
	1	(VOL.) Neither is a threat
	5	(VOL.) Both equally
	5	(VOL.) Don't know/Refused

**\*Q7** For each of the following pairs of statements, tell me whether the FIRST or the SECOND statement comes closer to your own views – even if neither is exactly right. The (first/next) pair is... [READ AND RANDOMIZE PAIRS BUT NOT STATEMENTS WITHIN EACH PAIR] [AFTER CHOICE IS MADE, PROBE: Do you feel STRONGLY about that, or not?]<sup>6</sup>

*a.	Government regulation of business is necessary to protect the public interest.			Government regulation of business usually does more harm than good.			Neither/Both/DK/Ref.
	NET	STRONGLY	NOT STRONGLY	NET	STRONGLY	NOT STRONGLY	
	%	%	%	%	%	%	
Current	48	32	16	45	36	9	6
Feb-March, 2011 <sup>i</sup>	47	33	14	45	35	10	8
October, 2008 <sup>ii</sup>	50	38	12	38	31	7	12
December, 2004 <sup>iii</sup>	49	32	17	41	30	11	10
August, 1999 <sup>iv</sup>	48	32	16	44	32	12	8
October, 1996 <sup>v</sup>	45	29	16	46	33	13	9
July, 1994 <sup>vi</sup>	41	24	17	54	39	15	5

b.	Businesses should have a bigger role in providing public services because they run things better than government does.			Giving businesses a bigger role is too risky because they might put profits ahead of the public interest.			Neither/Both/DK/Ref.
	NET	STRONGLY	NOT STRONGLY	NET	STRONGLY	NOT STRONGLY	
	%	%	%	%	%	%	
Current	46	31	15	47	37	10	7

**\*Q8** On another subject, do you think the overall level of ethics and honesty in American society has gone up, gone down, or stayed the same during the past 10 years?<sup>7</sup>

	CURRENT		JUNE-JULY 1983 <sup>vii</sup>
%	7	Gone up	9
	73	Gone down	65
	18	Stayed the same	22
	2	Don't know/Refused	4

<sup>6</sup> Full Pew Research Center trendline not reported.

<sup>7</sup> Trend question wording was slightly different: "Do you think the overall level of ethics and honesty in American society has risen, fallen or stayed the same during the past ten years?"



**\*Q9** Do you think the overall level of ethics and honesty IN POLITICS has gone up, gone down, or stayed the same during the past 10 years?<sup>8</sup>

	<u>CURRENT</u>		<u>JUNE-JULY 1983</u>
%	7	Gone up	10
	72	Gone down	59
	19	Stayed the same	26
	2	Don't know/Refused	5

**\*Q10** Do you think the overall level of ethics and honesty IN BUSINESS has gone up, gone down, or stayed the same during the past 10 years?<sup>9</sup>

	<u>CURRENT</u>		<u>JUNE-JULY 1983</u>
%	8	Gone up	9
	54	Gone down	49
	36	Stayed the same	35
	2	Don't know/Refused	7

**Q11** Now I'd like your opinion of the ethics and honesty of some different groups. (First, how would you rate the honesty and ethical standards of... [INSERT ITEM; RANDOMIZE; ALWAYS ASK a THRU c TOGETHER, IN ORDER; ALWAYS ASK d THRU g TOGETHER, IN ORDER]?)

READ FOR FIRST ITEM, THEN REPEAT AS NECESSARY: High, average or low?

	<u>HIGH</u>	<u>AVERAGE</u>	<u>LOW</u>	<u>DK/REF.</u>
	%	%	%	%
a. Public officials in Washington	4	31	63	2
b. Public officials in your state and local government	8	48	41	3
c. People who work for government agencies	14	62	22	2
d. CEOs of major companies	6	44	48	3
e. Managers who work for major companies	12	61	25	2
f. Employees of major companies who are not part of management	28	58	12	2
g. Small business owners	47	44	7	2
h. Religious leaders	24	50	23	4

<sup>8</sup> Trend question wording was slightly different: "Do you think the overall level of ethics and honesty in politics has risen, fallen or stayed the same during the past ten years?"

<sup>9</sup> Trend question wording was slightly different: "Do you think the overall level of ethics and honesty in business has risen, fallen or stayed the same during the past ten years?"

**Q12** In general, how much trust and confidence do you have in MAJOR COMPANIES to do the right thing? A lot, some, not too much, or none?

	<u>CURRENT</u>	
%	8	A lot
	46	Some
	33	Not too much
	12	None
	2	Don't know/Refused

**Q13** Next, I'm going to read you some different kinds of MAJOR COMPANIES. As I read each, tell me if you think companies in this category are generally more trustworthy, less trustworthy, or about the same as other major companies. (First,) what about... [INSERT ITEM; RANDOMIZE]?

READ FOR FIRST ITEM, THEN REPEAT AS NECESSARY: Are they MORE trustworthy, LESS trustworthy, or about the SAME as other major companies?

	<u>MORE</u> <u>TRUSTWORTHY</u>	<u>LESS</u> <u>TRUSTWORTHY</u>	<u>ABOUT THE</u> <u>SAME</u>	<u>DK/REF.</u>
	%	%	%	%
<b>Items aF1 thru dF1: Based on Form A</b>				
aF1. Banks and other financial institutions	16	41	42	1
bF1. Energy companies	14	33	51	2
cF1. Large retail companies	14	14	71	2
dF1. Manufacturing companies	17	14	66	3
<b>Items eF2 thru hF2: Based on Form B</b>				
eF2. Health insurance companies	5	53	40	2
fF2. Food and beverage companies	18	16	65	1
gF2. Pharmaceutical companies	11	47	41	1
hF2. Technology companies	29	10	58	3

**\*Q14** I'm going to read you some pairs of statements that will help us understand how you feel about a number of things. As I read each pair, tell me whether the FIRST statement or the SECOND statement comes closer to your own views – even if neither is exactly right. The (first/next) pair is... [READ AND RANDOMIZE PAIRS BUT NOT STATEMENTS WITHIN EACH PAIR]<sup>10</sup>

*a.	Too much power is concentrated in the hands of a few large companies.	The largest companies do NOT have too much power.	Neither/ Both/ DK/Ref.
	%	%	%
Current	77	20	3
Feb-March, 2011	78	16	6
October, 2008	78	15	7
December, 2004	77	16	7
August, 1999	77	17	6
October, 1996	75	18	7
July, 1994	76	19	5

b.	Major companies make too much profit.	Most major companies make a fair and reasonable amount of profit.	Neither/ Both/ DK/Ref.
	%	%	%
Current	62	35	3

c.	The strength of this country today is mostly based on the success of American business.	American business gets more credit than it deserves for keeping the country strong.	Neither/ Both/ DK/Ref.
	%	%	%
Current	60	36	4

Q14 continued on next page...

<sup>10</sup> Full Pew Research Center trendline not reported.

Q14 continued...

d.	The leaders of major U.S. companies should get involved in helping government leaders address the nation's top problems.	It is better to keep business and government separate and NOT involve business leaders.	Neither/ Both/ DK/Ref.
	%	%	%
Current	46	51	3
e.	For most major companies, it is enough to abide by all laws and regulations.	Major companies have an obligation to follow codes of conduct that are STRICTER than existing laws and regulations.	Neither/ Both/ DK/Ref.
	%	%	%
Current	36	60	4

**Q15F1** If you had to choose, in general, would you rather do business with a large national company offering somewhat lower prices OR a smaller local company that may charge somewhat higher prices?

**Based on Form A**

	<u>CURRENT</u>	
%	34	Large national company
	62	Smaller local company
	4	Don't know/Refused

**\*Q16** Now on the topic of GOVERNMENT REGULATION in this country... Please tell me if you think government is doing too much, too little, or about the right amount in each of the following areas. (First,) what about...[INSERT ITEM; RANDOMIZE]?

READ FOR FIRST ITEM, THEN REPEAT AS NECESSARY: Do you think government is doing too much, too little or about the right amount in this area?<sup>11</sup>

		TOO MUCH	TOO LITTLE	RIGHT AMOUNT	DK/REF.
		%	%	%	%
*a.	Regulation of business in general <sup>12</sup>				
	Current	27	35	36	3
	January, 1996 <sup>viii</sup>	35	19	38	8
b.	Regulation of health and safety in the workplace				
	Current	16	33	50	2
c.	Regulation of banks and other financial institutions				
	Current	20	47	31	3
*d.	Environmental protection <sup>13</sup>				
	Current	21	46	31	2
	January, 1996	17	41	40	2
e.	Consumer protection				
	Current	11	45	40	3
<b>Item fF1: Based on Form A</b>					
fF1.	Regulation of the Internet				
	Current	22	37	35	6
<b>Item gF2: Based on Form B</b>					
*gF2.	Controlling immigration <sup>14</sup>				
	Current	9	65	23	3
	January, 1996	7	63	25	5

<sup>11</sup> January 1996 question items were rotated. Question wording was slightly different: "Now I'd like your opinion about government regulation in some different areas. (First,) do you think the government is doing too much, too little, or about the right amount in the area of (ITEM)?"

<sup>12</sup> Trend item wording was slightly different: "Regulation of business"

<sup>13</sup> Trend item wording was slightly different: "Environmental regulations"

<sup>14</sup> Trend item wording was slightly different: "Restrictions on immigration"

[READ TO ALL:] My next questions are about MAJOR COMPANIES. By this I mean major companies that do business in the United States, whether or not they also do business in other countries...

**Q17** Now we'd like your views about whether MAJOR COMPANIES should be more involved in trying to help solve national issues that are often seen as the government's responsibility. (First,) what about... [INSERT ITEM; RANDOMIZE; IF YES, ASK Q18 FOLLOW-UP BEFORE MOVING ONTO THE NEXT Q17 ITEM]?

READ FOR FIRST TWO ITEMS, THEN REPEAT AS NECESSARY: Do you think major companies should be more involved in this area, or not?

**Q18** [IF ANSWERED 'YES, SHOULD BE MORE INVOLVED FOR CORRESPONDING Q17 ITEM:] Do you feel strongly about that, or not?

	NET MORE INVOLVED	STRONGLY	NOT STRONGLY	DK/REF.	NET NOT MORE INVOLVED	DK/REF.
	%	%	%	%	%	%
a. Improving the economy and creating jobs	93	84	8	1	5	1
b. Improving education	72	64	8	*	25	2
c. Improving health care	73	64	9	*	25	2
d. Providing relief for disasters like floods, tornadoes and earthquakes	76	64	11	1	22	2
e. Improving roads, bridges and mass transit	56	46	10	*	41	2
f. Providing community services such as food banks, free clinics and job training for the poor	80	69	10	1	18	2

**Q19** We'd like you to rate the job major companies are doing in some different areas. (First,) what about... [INSERT ITEMS; RANDOMIZE]?

READ FOR FIRST ITEM, THEN AS NECESSARY: Do you think major companies are generally doing a good job or generally NOT doing a good job in this area?

	GENERALLY DOING A GOOD JOB	GENERALLY NOT DOING A GOOD JOB	DK/REF.
	%	%	%
a. Serving their stockholders	57	26	17
b. Creating jobs	24	71	5
c. Paying their employees fairly	38	56	6
d. Not over-paying their top executives	17	76	6
e. Protecting the environment	38	56	6
f. Serving their customers	62	32	5
g. Contributing time and money to support their local communities	35	57	8
h. Providing useful products and services	72	24	4

**\*Q20** These days, whose interests do you think most major companies put FIRST? The interests of...[READ 1-5]?<sup>15</sup>

	<u>CURRENT</u>		<u>FEB 2002<sup>x</sup></u>	<u>OCT 1995<sup>*</sup></u>
%	38	Their stockholders	37	46
	43	Their top executives	43	34
	2	Their employees	3	4
	7	Their customers (OR)	5	6
	4	The communities where they are located	5	6
	1	(VOL.) None of the above	2	1
	4	(VOL.) Don't know/Refused	5	3

**\*Q21** In your opinion, whose interests SHOULD most major companies put first? The interests of...[READ 1-5]?<sup>16</sup>

	<u>CURRENT</u>		<u>FEB 2002</u>	<u>OCT 1995</u>
%	11	Their stockholders	14	15
	4	Their top executives	3	4
	25	Their employees	31	30
	37	Their customers (OR)	27	31
	21	The communities where they are located	19	18
	*	(VOL.) None of the above	1	*
	2	(VOL.) Don't know/Refused	5	2

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<sup>15</sup> Question wording was slightly different: "These days, whose interests do business corporations put first? The interests of... [READ]?" In past surveys, respondents were divided into half-samples for trend versions of the current Q20 and Q21, and each half was asked one of these two questions but not the other.

<sup>16</sup> Question wording was slightly different: "In your opinion, whose interests should business corporations put first? The interests of... [READ]?"

**Q22** Now I'm going to read you a list of things some major companies do. For each one, tell me if knowing this would make you feel MORE favorable or LESS favorable toward the company – or if it wouldn't make much difference either way. (First,/Next,) what if you found out a major company...[INSERT, RANDOMIZE]?

READ AS NECESSARY: Would knowing this make you feel more favorable or less favorable toward the company -- or would it not make much difference?

	MORE FAVORABLE %	LESS FAVORABLE %	NO DIFFERENCE %	DK/REF. %
a. Hired lobbyists to represent the company's interests on policy issues before government	7	55	34	3
b. Made large contributions to charities and community organizations	81	4	14	1
c. Founded a political action committee, which can raise money from executives, employees and shareholders to make campaign contributions	9	59	29	2
d. Did everything they could to increase the price of the company's stock	24	37	35	4
e. Paid for ads to promote the good things the company is doing	40	14	46	1
<b>Item fF1: Based on Form A</b>				
fF1. Paid for ads in support of a specific candidate in a political campaign	5	63	30	2
<b>Item gF2: Based on Form B</b>				
gF2. Paid for ads to promote a specific public policy issue	13	41	43	4
<b>Item hF1: Based on Form A</b>				
hF1. Gave top executives large bonuses when the company performed well	16	49	32	2
<b>Item iF2: Based on Form B</b>				
iF2. Gave top executives large bonuses when the company did NOT perform well	2	87	9	1
<b>Item jF1: Based on Form A</b>				
jF1. Moved jobs to other countries where wages are lower	3	84	13	1
<b>Item kF2: Based on Form B</b>				
kF2. Moved jobs to other countries where wages are lower in order to provide lower prices to American consumers	8	74	16	2



**Q23** All citizens and companies have the legal right to lobby government to try to affect public policy decisions. Please tell me if you consider each of the following types of lobbying by major companies to be acceptable or NOT acceptable. (First, in general,) would it be acceptable to you if a major company lobbies to...[INSERT, RANDOMIZE]?

READ AS NECESSARY: IN GENERAL, would this be acceptable or NOT acceptable to you?

	YES, ACCEPTABLE %	NO, NOT ACCEPTABLE %	DK/REF. %
<b>Items aF1 thru cF1: Based on Form A</b>			
aF1. Secure government funding or grants	50	45	5
bF1. Protect jobs at the company	85	14	1
cF1. Open new markets for the company	75	21	4
<b>Items dF2 thru eF2: Based on Form B</b>			
dF2. Create a level playing field with competitors here and around the world	72	22	7
eF2. Reduce business costs	64	31	5

**Q24** Sometimes major companies face a crisis when something goes very wrong and the company is thought to be at fault – for example, an oil spill, contaminated product, or something else causing injury or financial loss.

I'm going to read you some things a company might do when facing such a crisis. As I read each one, tell me if this would do A LOT, only a LITTLE, or NOTHING to make you feel the company was doing the right thing to address the problem. (First,) what if the company [INSERT ITEMS; RANDOMIZE]?

READ AS NECESSARY: Would this do A LOT, only a LITTLE, or NOTHING to make you feel the company was doing the right thing to address the problem?

	A LOT %	A LITTLE %	NOTHING %	DK/REF. %
a. Had top executives answer questions about what happened, and what they intend to do about it	59	31	9	1
b. Said it would not comment on the crisis until all the facts are available	26	37	35	2
c. Paid for ads explaining the company's actions to fix the problem	45	37	17	1
d. Had top executives make a public apology	43	38	18	1
e. Took quick action to pay any costs to those affected – even if it is unclear who is at fault	69	21	8	2
f. Filed lawsuits against others who might have been responsible for the problem	35	37	25	3
g. Fired executives and employees responsible for the problem	56	30	12	2

**Q25F2** When a major company makes this type of mistake, what is the MOST important factor you consider when deciding whether to buy that company's products or services in the future? [READ AND RANDOMIZE 1-4]

**Based on Form B**

	<u>CURRENT</u>	
%	67	The company's honesty and responsiveness in dealing with the crisis (OR)
	15	The company's long-term reputation (OR)
	10	The price of the products or services (OR)
	4	Opinions about the company held by your friends and neighbors (OR)
	4	(VOL.) Don't know/Refused

**Q26** We're interested in what actions, if any, you have taken in the last five years to express POSITIVE views about a company when you were pleased with something they did, their products or services, or anything else about them. (First,) what about... [INSERT; RANDOMIZE]?

READ AS NECESSARY: Have you done this in the last five years to express POSITIVE views about a company?

**Based on Form A**

	<u>YES</u>	<u>NO</u>	<u>DK/REF.</u>
	%	%	%
aF1. Let friends and family know what you think about the company	81	18	1
bF1. Sent a letter, email or other communication to the company itself	37	62	1
cF1. Started to buy or bought more of the company's products or services	66	33	1
dF1. Posted positive comments or reviews about the company on the Internet	32	67	1
eF1. Became a "fan" of the company through social media	27	72	1

**Q27** We're interested in what actions, if any, you have taken in the last five years to express NEGATIVE views about a company when you were unhappy with something they did, their products or services, or anything else about them. (First,) what about... [INSERT; RANDOMIZE]?

READ AS NECESSARY: Have you done this in the last five years to express NEGATIVE views about a company?

**Based on Form B**

	YES %	NO %	DK/REF. %
aF2. Let friends and family know what you think about the company	82	17	1
bF2. Sent a letter, email or other communication to the company itself	40	59	*
cF2. Refused to buy the company's products or services	72	28	*
dF2. Posted negative comments or reviews about the company on the Internet	20	80	*
eF2. Contacted a government agency or your elected representatives about the company	23	76	1

**\*Q28a** Just your best guess, would you say that most business executives try to obey the laws governing their profession or would you say most business executives try to find a way around the laws governing their profession?<sup>17</sup>

	CURRENT		FEB-MAR 2002 <sup>xi</sup>	OCT 1997 <sup>xii</sup>	FEB 1987 <sup>xiii</sup>
%	36	Obey the laws	35	39	45
	59	Try to find a way around the laws	58	51	48
	5	Don't know/Refused	7	10	7

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<sup>17</sup> Feb 1987 and Oct 1997 trend questions asked about "stock brokers on Wall Street" instead of "business executives."

**\*Q28a** Just your best guess, would you say that most business executives try to obey the laws governing their profession or would you say most business executives try to find a way around the laws governing their profession?

**Q28b** [IF OFFERED AN OPINION IN THE PREVIOUS QUESTION:] Do you feel strongly about that, or not?

	<u>CURRENT</u>	
%	36	NET Obey the laws
	24	Strongly
	12	Not strongly
	*	DK/Ref.
	59	NET Try to find a way around the laws
	48	Strongly
	10	Not strongly
	1	DK/Ref.
	5	Don't know/Refused

**Q29** Where do you get MOST of your news about what is important to you? From television, from print newspapers or magazines, from radio, from online news sources, or from social media like Facebook? [ACCEPT TWO ANSWERS; IF ONLY ONE RESPONSE IS GIVEN, PROBE ONCE: Is there a second source where you get most of your news?]

***First responses only***

	<u>CURRENT</u>	
%	70	Television
	12	Print newspapers or magazines
	7	Radio
	8	Online news sources
	1	Social media like Facebook
	1	(VOL.) Other (SPECIFY)
	1	(VOL.) Don't know/Refused

***Second responses only [N=1,388]***

	<u>CURRENT</u>	
%	*	Television
	36	Print newspapers or magazines
	19	Radio
	33	Online news sources
	8	Social media like Facebook
	3	(VOL.) Other (SPECIFY)
	n/a	(VOL.) Don't know/Refused

Q29 continued on next page...

Q29 continued...

***Combined first and second responses***

	<u>CURRENT</u>	
%	70	Television
	40	Print newspapers or magazines
	22	Radio
	34	Online news sources
	8	Social media like Facebook
	3	(VOL.) Other (SPECIFY)
	1	(VOL.) Don't know/Refused

*Note: Total may exceed 100% due to multiple responses.*

**Q30** Now I'm going to read a list of activities. For each, please tell me if you have done this in the past 12 months or not. First, in the past 12 months, have you... [INSERT ITEMS IN ORDER]? (Next,) have you...[INSERT NEXT ITEM] [IF NECESSARY: in the past 12 months]?

	<u>YES, HAVE DONE THIS</u>	<u>NO, HAVE NOT DONE THIS</u>	<u>DK/REF.</u>
	%	%	%
a. Contacted an elected official about an issue or concern	31	69	*
b. Attended a meeting on local, town or school affairs	36	64	*
c. Contributed money to or volunteered for a political party or candidate	19	80	*
d. Participated in a group that tries to influence public policy or government, not including a political party	18	82	1
e. Volunteered your time on a regular basis to a church, charity, or other community organization	56	44	*

[READ TO ALL:] A few last questions for statistical purposes only...

*Demographic questions not reported in this topline.*

THANK RESPONDENT: That concludes our interview. Have a nice (day/evening).

## Endnotes

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<sup>i</sup> February-March 2011 trends are based on the Pew Research Center for the People & the Press's "2011 March Political Typology" survey. This study was conducted by telephone in two parts: February 22-March 1, 2011, among 1,504 adults 18+ nationwide, and March 8-14, 2011, among 1,525 adults 18+ nationwide. Unless otherwise indicated, trend results reflect the views of the combined sample of 3,029 adults 18+ nationwide.

<sup>ii</sup> October 2008 trends are based on the Pew Research Center for the People & the Press's "Early October 2008 Political & Economic Survey." This study was conducted by telephone October 9-12, 2008, among 1,485 adults 18+ nationwide.

<sup>iii</sup> December 2004 trends are based on the Pew Research Center for the People & the Press's "December 2004 Political Typology Survey." This study was conducted by telephone December 1-16, 2004, among 2,000 adults 18+ nationwide.

<sup>iv</sup> August 1999 trends are based on the Pew Research Center for the People & the Press's "Political Typology Survey." This study was conducted by telephone July 14-September 9, 1999, among 3,973 adults 18+ nationwide [Form A: N=1,974 / Form B: N=1,999].

<sup>v</sup> October 1996 trends are based on the Pew Research Center for the People & the Press's "October 1996 Pre-Election Typology Survey." This study was conducted by telephone October 14-20, 1996, among 1,938 adults 18+ nationwide [including 1,546 registered voters].

<sup>vi</sup> July 1994 trends are based on the Times Mirror Center for the People and the Press's "New Political Landscape Survey." This study was conducted by telephone July 12-25, 1994, among 3,800 adults 18+ nationwide [including an oversample of 197 black adults].

<sup>vii</sup> June-July 1983 trends are based on a Gallup poll conducted for *The Wall Street Journal* June 24-July 4, 1983. Personal in-home interviews were conducted among a nationally representative sample of 1,558 adults 18+.

<sup>viii</sup> January 1996 trends from a Knight-Ridder poll conducted by telephone January 5-15, 1996, among 1,206 registered voters nationwide.

<sup>ix</sup> February 2002 trends are based on the Pew Research Center for the People & the Press's "February 2002 News Interest Index." This study was conducted by telephone February 12-18, 2002, among 1,199 adults 18+ nationwide.

<sup>x</sup> October 1995 trends are based on the Times Mirror Center for the People and the Press's "October 1995 Typology Survey." This study was conducted by telephone October 25-30, 1995, among 2,000 adults 18+ nationwide.

<sup>xi</sup> February-March 2002 trends are based on the "2002 Religion and Public Life Survey" jointly sponsored by the Pew Research Center for the People & the Press and the Pew Forum on Religion and Public Life. This study was conducted by telephone February 25-March 10, 2002, among 2,002 adults 18+ nationwide.

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<sup>xii</sup> October 1997 trends are based on an ABC News/*Washington Post* Poll. This study was conducted by telephone October 9-13, 1997, among 1,515 adults 18+ nationwide.

<sup>xiii</sup> February 1987 trends are based on an ABC News Poll. This study was conducted February 25-26, 1987, among 513 adults 18+ nationwide.

## Appendix 2: Methodology

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### Public Affairs Pulse Survey

Prepared by Princeton Survey Research Associates International  
for the Public Affairs Council

September 2011

#### SUMMARY

The Public Affairs Pulse Survey, sponsored by the Public Affairs Council, obtained telephone interviews with a nationally representative sample of 1,753 adults living in the continental United States. Interviews were conducted via landline ( $n_{LL}=1,052$ ) and cell phone ( $n_C=701$ , including 313 without a landline phone). The survey was conducted by Princeton Survey Research Associates International. The interviews were conducted in English and Spanish by Princeton Data Source from August 10 to September 8, 2011. Statistical results are weighted to correct known demographic discrepancies. The margin of sampling error for the complete set of weighted data is  $\pm 2.8$  percentage points.

Details on the design, execution and analysis of the survey are discussed below.

#### DESIGN AND DATA COLLECTION PROCEDURES

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##### Sample Design

A combination of landline and cellular random digit dial (RDD) samples was used to represent all adults in the continental United States who have access to either a landline or cellular telephone. Both samples were provided by Survey Sampling International LLC (SSI), according to PSRAI specifications.

Numbers for the landline sample were drawn with equal probabilities from active blocks (area code + exchange + two-digit block number) that contained three or more residential directory listings. The cellular sample was not list-assisted but was drawn through a systematic sampling from dedicated wireless 100-blocks and shared service 100-blocks with no directory-listed landline numbers.



## Contact Procedures

Interviews were conducted from August 10 to September 8, 2011. As many as five attempts were made to contact every sampled landline telephone number, and as many as three attempts were made to each sampled cell phone number. Sample was released for interviewing in replicates, which are representative subsamples of the larger sample. Using replicates to control the release of sample ensures that complete call procedures are followed for the entire sample. Calls were staggered over times of day and days of the week to maximize the chance of making contact with potential respondents. Interviewing was spread as evenly as possible across the days in field. Each telephone number was called at least one time during the day in an attempt to complete an interview.

For the landline sample, interviewers asked to speak with the youngest adult male or female currently at home based on a random rotation. If no male/female was available, interviewers asked to speak with the youngest adult of the other gender. This systematic respondent selection technique has been shown to produce samples that closely mirror the population in terms of age and gender when combined with cell interviewing.

For the cellular sample, interviews were conducted with the person who answered the phone. Interviewers verified that the person was an adult and in a safe place before administering the survey. Cellular respondents were offered a post-paid cash reimbursement for their participation.

## WEIGHTING AND ANALYSIS

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The first stage of weighting corrected for different probabilities of selection associated with the number of adults in each household and each respondent's telephone usage patterns.<sup>18</sup> This weighting also adjusts for the overlapping landline and cell sample frames and the relative sizes of each frame and each sample.

This first-stage weight for the  $i^{\text{th}}$  case can be expressed as:

$$WT_i = \frac{1}{\left(\frac{S_{LL}}{S_{CP}} \times \frac{1}{AD_i}\right)} \text{ if respondent has no cell phone}$$

$$WT_i = \frac{1}{\left(\frac{S_{LL}}{S_{CP}} \times \frac{1}{AD_i}\right) + R} \text{ if respondent has both kinds of phones}$$

$$WT_i = \frac{1}{R} \text{ if respondent has no landline phone}$$

Where  $S_{LL}$  = size of the landline sample

$S_{CP}$  = size of the cell phone sample

$AD_i$  = Number of adults in the household

$R$  = Estimated ratio of the landline sample frame to the cell phone sample frame

The equations can be simplified by plugging in the values for  $S_{LL} = 1,052$  and  $S_{CP} = 701$ . Additionally, we will estimate the ratio of the size of the landline sample frame to the cell phone sample frame  $R = 0.71$ .

The second stage of weighting balances sample demographics to population parameters. The sample is balanced by form to match national population parameters for sex, age, education, race, Hispanic origin, region (U.S. Census definitions), population density, number of adults in the household and telephone usage. The basic weighting parameters came from a special analysis of the Census Bureau's 2010 Annual Social and Economic Supplement (ASEC) that included all households in the United States. The population density parameter was derived from Census

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<sup>18</sup> i.e., whether respondents have only a landline telephone, only a cell phone or both kinds of telephone.

2000 data. The cell phone usage parameter came from an analysis of the July-December 2010 National Health Interview Survey.<sup>19</sup>

Weighting was accomplished using Sample Balancing, a special iterative sample weighting program that simultaneously balances the distributions of all variables using a statistical technique called the *Deming Algorithm*. Weights were trimmed to prevent individual interviews from having too much influence on the final results. The use of these weights in statistical analysis ensures that the demographic characteristics of the sample closely approximate the demographic characteristics of the national population. Table 1 compares weighted and unweighted sample distributions to population parameters.

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<sup>19</sup> Blumberg SJ, Luke JV. Wireless substitution: Early release of estimates from the National Health Interview Survey, July-December 2010. National Center for Health Statistics. June 2011.

**Table 1: Sample Demographics**

	<u>Parameter</u>	<u>Unweighted</u>	<u>Weighted</u>
	<u>Gender</u>		
	Male	48.5%	45.8%
	Female	51.5%	54.2%
			<u>Total</u>
			48.7%
			51.3%
	<u>Age</u>		
	18-24	12.8%	9.4%
	25-34	17.9%	11.3%
	35-44	17.7%	11.9%
	45-54	19.4%	20.7%
	55-64	15.4%	21.6%
	65+	16.8%	23.4%
	<u>Education</u>		
	Less than HS Graduate	13.7%	6.9%
	HS Graduate	35.1%	28.3%
	Some College	23.9%	26.6%
	College Graduate	27.3%	37.9%
	<u>Race/Ethnicity</u>		
	White/not Hispanic	68.3%	75.8%
	Black/not Hispanic	11.5%	10.5%
	Hispanic	14.0%	7.9%
	Other/not Hispanic	6.2%	4.0%
	<u>Region</u>		
	Northeast	18.5%	17.4%
	Midwest	21.9%	26.5%
	South	36.9%	35.3%
	West	22.6%	20.8%
	<u>County Pop. Density</u>		
	1 - Lowest	20.1%	23.0%
	2	20.0%	24.6%
	3	20.1%	23.6%
	4	20.2%	16.6%
	5 - Highest	19.6%	12.1%
	<u>Household Phone Use</u>		
	LLO	9.3%	9.0%
	Dual	60.2%	72.9%
	CPO	30.5%	18.1%
	<u>Number of adults in HH</u>		
	One	16.6%	23.9%
	Two	53.6%	52.3%
	Three +	29.8%	23.7%

## EFFECTS OF SAMPLE DESIGN ON STATISTICAL INFERENCE

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Post-data-collection statistical adjustments require analysis procedures that reflect departures from simple random sampling. PSRAI calculates the effects of these design features so that an appropriate adjustment can be incorporated into tests of statistical significance when using these data. The so-called "design effect" or *deff* represents the loss in statistical efficiency that results from systematic non-response. The total sample design effect for this survey is 1.41.

PSRAI calculates the composite design effect for a sample of size  $n$ , with each case having a weight,  $w_i$ , as:

$$deff = \frac{n \sum_{i=1}^n w_i^2}{\left( \sum_{i=1}^n w_i \right)^2} \quad \text{formula 1}$$

In a wide range of situations, the adjusted *standard error* of a statistic should be calculated by multiplying the usual formula by the square root of the design effect ( $\sqrt{deff}$ ). Thus, the formula for computing the 95% confidence interval around a percentage is:

$$\hat{p} \pm \left( \sqrt{deff} \times 1.96 \sqrt{\frac{\hat{p}(1-\hat{p})}{n}} \right) \quad \text{formula 2}$$

where  $\hat{p}$  is the sample estimate and  $n$  is the unweighted number of sample cases in the group being considered.

The survey's *margin of error* is the largest 95% confidence interval for any estimated proportion based on the total sample — the one around 50%. For example, the margin of error for the entire sample is  $\pm 2.8$  percentage points. This means that in 95 out of every 100 samples drawn using the same methodology, estimated proportions based on the entire sample will be no more than 2.8 percentage points away from their true values in the population. The margin of error for estimates based on form 1 or form 2 respondents is  $\pm 3.9$  percentage points. It is important to remember that sampling fluctuations are only one possible source of error in a survey estimate. Other sources, such as respondent selection bias, questionnaire wording and reporting inaccuracy, may contribute additional error of greater or lesser magnitude.

## RESPONSE RATE

Table 2 reports the disposition of all sampled telephone numbers ever dialed from the original telephone number samples. The response rate estimates the fraction of all eligible respondents in the sample that were ultimately interviewed. At PSRAI, it is calculated by taking the product of three component rates:<sup>20</sup>

- Contact rate — the proportion of working numbers where a request for interview was made<sup>21</sup>
- Cooperation rate — the proportion of contacted numbers where a consent for interview was at least initially obtained, versus those refused
- Completion rate — the proportion of initially cooperating and eligible interviews that were completed

Thus, the response rate for the landline sample was 10 percent. The response rate for the cellular sample was 8 percent.

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<sup>20</sup> PSRAI's disposition codes and reporting are consistent with the American Association for Public Opinion Research standards.

<sup>21</sup> PSRAI assumes that 75 percent of cases that result in a constant disposition of "No answer" or "Busy" are actually not working numbers.

**Table 2: Sample Disposition**

<u>Landline</u>	<u>Cell</u>	
30809	26500	<b>T</b> Total Numbers Dialed
1323	397	<b>OF</b> Non-residential
1437	49	<b>OF</b> Computer/Fax
9		<b>OF</b> Cell phone
14993	9765	<b>OF</b> Other not working
1709	344	<b>UH</b> Additional projected not working
11338	15946	Working numbers
36.8%	60.2%	Working Rate
570	115	<b>UH</b> No Answer / Busy
2923	6193	<b>UO<sub>NC</sub></b> Voice Mail
68	14	<b>UO<sub>NC</sub></b> Other Non-Contact
7777	9624	Contacted numbers
68.6%	60.4%	Contact Rate
619	1839	<b>UO<sub>R</sub></b> Callback
5978	6519	<b>UO<sub>R</sub></b> Refusal
1180	1266	Cooperating numbers
15.2%	13.2%	Cooperation Rate
56	50	<b>IN1</b> Language Barrier
	503	<b>IN2</b> Child's cell phone
1124	713	Eligible numbers
95.3%	56.3%	Eligibility Rate
72	12	<b>R</b> Break-off
1052	701	<b>I</b> Completes
93.6%	98.3%	Completion Rate
9.7%	7.8%	Response Rate