

Reputation Architects Social and Political Issue Decision-Making Rubric

Seven key questions organizations need to ask themselves before deciding to speak out on complex social or political issues:

1. Is the issue clearly aligned with our core mission, strategy and values?

Stakeholders expect authenticity from the organizations they support. If an issue is so closely tied to the organization's mission that not to communicate would be conspicuous, the duty to do so may well outweigh the risks of staying silent. Organizations that stray too far out of their strategic lanes do so at their peril, however.

The Texas-based restaurant chain Pizza Inn learned this the hard way on January 5, 2021, when it tweeted out, then quickly retracted, a press release laying out its CEO's list of recommendations for enhancing election security. Ironically, the attack the next day on the U.S. Capitol was the only thing that saved the company from further media ridicule for attaching its brand to an issue so far removed from its expertise.

2. Do we have a clear purpose for speaking out?

It's tempting to want customers to know that the organization is thinking about them when societal tensions are running high. However, leaders need to be honest with themselves about what they hope to achieve by speaking, out and whether they are doing so for the right reasons or just engaging in woke-washing or virtue-signaling. Employees will be the first to call out disconnects between what a company's leaders are saying publicly and what they see and hear in the workplace.

3. Have we thoroughly thought through the risks? Does our purpose for speaking out outweigh the dangers?

If the organization's purpose for speaking out doesn't clearly outweigh the risks, then it's probably wise to consider a different tack, like joining a coalition of like-minded companies.

4. What are others in our industry doing?

To quote an ancient Chinese proverb, "To know the road ahead, ask those coming back." Look carefully at what similar organizations have already communicated, how, and to whom. Did their stakeholders interpret their messages the way they intended? Did their efforts contribute meaningfully to the public dialogue? Or did they just add to the noise while putting them at unnecessary risk?

5. Will our stakeholders support our position?

If the answer is "It depends," then it's time to step back and assess the relative importance of the concerned stakeholders to the organization's business. If the concerns are centered on a narrow customer niche, for example, then the calculation of whether to proceed will be very different than if executives close their eyes see thousands of employees coming at them with torches and pitchforks.

6. Can we stomach the potential backlash?

Being ready with a plan to manage any negative onslaught the decision to speak out could unleash is critical. So, too, is making sure the organization has both the resources and



the intestinal fortitude to withstand the potential financial costs of speaking out in terms of lost sales, disrupted operations and depressed share price.

Confirming that board members are equally committed to the plan and fully aware of the financial and reputational risks to the organization, and to them personally, is equally essential. They need to understand that second-guessing and backpedaling at the first sign of customer, employee or investor revolt is likely to have far graver consequences, including losing the trust of key supporters and further energizing opponents, than staying the course or not speaking out in the first place.

7. Are we committed to more than just talk?

Public calls to "speak out" are in fact demands for action, not just words. Trying to communicate where an organization stands on an issue without also committing to meaningful action is likely to backfire.

Take, for example, the audio streaming giant Spotify's decision to "speak out" about George Floyd's murder by airing eight minutes and 46 seconds of silence—the amount of time police officer Derek Chauvin had his knee on Floyd's neck—and to match employees' contributions to anti-racism groups. Spotify's promise to match workers' funds was a step in the right direction; its failure to also pledge its own money to combatting racism, independent of employees' largesse, was a glaring omission.

Consumers panned Spotify's announcement as a hollow marketing stunt from a \$9 billion company that reaps millions in profits from Black listeners and the work of Black artists. They were also quick to contrast Spotify's plan with that of much smaller competitor Bandcamp, which was widely lauded for putting its own skin in the game by pledging to donate \$30,000 a year to racial justice organizations and 100% of all sales on Juneteenth to the NAACP Legal Defense Fund.

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