



A Strategic Guide to Social Issue Engagement

The American public has high expectations for big companies to take a stand on social issues. A 2019 [Public Affairs Council/Morning Consult study](#) showed that 53% of Americans approved of major companies lobbying for social causes while only 21% disapproved. A year later, more than 50% of Americans in a [Harris Poll](#) felt it was “very important” for companies to make a positive difference in alleviating hunger, poverty and gun violence, and ensuring racial equality. Among younger Americans, expectations were even higher.

While Fortune 500 companies are adept at managing complex supply chains and large workforces, many struggle with managing the controversy that comes with efforts to protect civil rights, improve voting access, reduce gun violence or take on other contentious issues. The political and reputational risks can be significant.

Navigating these turbulent times requires policy knowledge, communications skills, effective leadership, and a keen sense of how to build rapport with stakeholders. Most important, it requires the ability to know when and how to engage on an emerging issue.

Based on learnings from its research and executive education programs, the Public Affairs Council has developed this guide for companies that want to engage in social issues affecting their employees, customers, or communities. Every organization has its own culture, character, and risk profile, all of which will influence its level of involvement. Our hope is to make the engagement decision easier for corporate leaders, while helping them make a positive impact on society.

Forming a Social Issues Engagement Team

Every sizable company should have an internal group to oversee the social issues management process. This group should be diverse and include a cross section of employees across the entire corporate structure including legal, key business functions, communications, government relations, diversity/equity/inclusion, investor relations, community affairs and human resources. The size of a social issues engagement team will vary depending on company size and level of involvement on issues, but participation should be limited to a maximum of 12 to 15 members, and these employees must be willing to be on call as a controversy or crisis unfolds.

Matters before the group should be decided quickly, but decisions should not be reactionary. Consider drafting “holding statements” that let stakeholders know you are monitoring developments and waiting for more information to be collected. Companies often choose to coordinate their fact-finding with their trade associations and coalition partners, so they have access to current polling and additional research. When a company acts too quickly, it may be criticized from both sides of the political spectrum or find itself associated with the wrong cause.

Social issues engagement teams should meet regularly even when there isn’t a looming controversy. These meetings can address emerging issues, the concerns of employee resource groups (ERGs), assessments of advocacy organizations, engagement strategies used by others, and current trends in media and public sentiment.

Establishing Guidelines and Principles

After a company’s social issues engagement team is in place, members should decide on guidelines and establish a core set of principles for engagement. These principles must be aligned not only with business mission statements and values, but also with operational practices and legislative/regulatory positions. Corporate actions and policies that are out of sync with core principles invite accusations of hypocrisy.

These principles can be either general or specific. One company, for instance, may want to declare its support for human rights as a core principle, while another may want to emphasize sustainability. Still others will proclaim their intent to help end homelessness in the communities they serve. Many firms focus on the value of diversity, equity and inclusion and state their commitment to achieving racial justice.

As a general rule, it's better for companies to be aspirational in their goals and principles than to broadly assert that they will always respond, take the lead or ensure their principles are being upheld by others. This is true for two reasons: Being aspirational demonstrates humility; and it also keeps a company from having to get involved in every issue.

Making a Strategic Issue Assessment

After core principles have been established, the next step is to identify issues for which your company is willing to lead, issues you'd like to support as part of a group, and issues that require further monitoring.

Members of the company's social issues, communications and public affairs teams should start by reviewing relevant data such as social media analytics, conventional media trends, employee surveys and reputational polling. Past corporate engagement on social issues should be documented and used to create a baseline for the company going forward.

There are many factors that can affect the decision to respond including:

- Importance to the company (How big an impact does the issue have on our company and its key stakeholders?)
- Commitments we've made (Have we pledged to get involved in issues like this?)
- Track record (What have we said and done in the past?)
- Tie-ins to company products and practices (Is the company somehow contributing to the problem, even indirectly?)
- Allies and adversaries (Who wants us to take action and who would oppose our response?)

- Actions of competitors (Is the company the first or last one in its sector to take action or make a statement?)
- Intensity of media interest (What is the tone, trajectory and extent of coverage by major media?)
- Public opinion (Does the public expect companies like ours to get involved?)
- Proximity of the issue (Is it occurring in the home state of the company or where we have major facilities?)

Mapping Key Stakeholders

As part of the issue analysis, a company will want to know where its stakeholders stand. Here is a list of questions to address during your research:

Employees:

- Does this issue directly affect employees or their families?
- How engaged are employees on this issue and where do they stand?
- Is there a silent group of employees who may resent our company's position?

Customers and the Public

- Do our customers have strong feelings on this issue and where do they stand?
- Do customers expect us to be leaders?
- Is our brand being damaged by not acting? Will it be damaged if we do act?

Policymakers

- Is this a particularly divisive social or political issue?
- Will policymakers speak out against our company's position?
- Will involvement in this issue create new political alliances?

Advocacy Groups

- Do advocacy groups working on this issue have credibility with our stakeholders?
- Are advocacy groups talking about our company to the media and do they expect us to take a position?
- Are there low-risk partnership opportunities with certain groups?

Investors

- Is our company facing shareholder resolutions related to this issue?
- How successful have similar resolutions been?
- Are shareholder groups showing a willingness to compromise?

Determining Your Level of Engagement

Once there is agreement on whether the company will engage on an issue, the next step is to identify the proper level of engagement. This is often the most difficult decision because under- or overstating one's commitment can damage the firm's reputation. The Council has created three distinct levels of engagement for companies to consider based on their issue assessment. The three levels are as follows:

Supporter

This means the company is sympathetic to the issue and may have issued a statement, but it has not taken a formal position. This does not mean the company is ignoring the issue, hoping it will go away. It is actively doing research, talking with stakeholders and developing a deeper understanding of the political, social and economic implications. It's difficult for major, brand-name companies to stay in this holding position for long if the issue is gaining traction among stakeholders. In this scenario, a communications professional from the company serves as the spokesperson.



Partner

At this level of engagement, the company has taken a specific position on an issue and has taken steps to join others in supporting the cause. The company is working to change internal policies/practices that aren't in alignment with its position and is publicly calling for external changes by policymakers. In most cases, these efforts are done under the umbrella of a trade association, business group or coalition. When a company is engaged through an outside group, sometimes the CEO is the spokesperson but often another senior executive with subject-matter expertise is the voice of the company.

Champion

This is the highest level of engagement and should be reserved for a small number of issues for which the company can have meaningful impact. The company should commit significant resources to address the issue and aggressively communicate its position to all stakeholders. At this level of engagement, the company has prepared itself for extra scrutiny, briefed senior executives, and anticipated pushback from old or new adversaries. When a company decides to be a champion, its CEO is usually the spokesperson for the issue.

Executing a Communications Plan

A good communications plan scopes out key audiences and strategies, identifies specific tactics, picks the timing for announcements, identifies spokespeople and contacts, and includes talking points for all concerned. Because the announcement of commitment to a social issue can be controversial, answers are pre-written for all anticipated questions.

When companies make their announcement to support a policy issue or social cause, it's wise not only to make a specific commitment, but also to state what steps the firm has taken to demonstrate that commitment. If a firm is supporting an initiative rather than a policy issue, it should explain the extent of its support, how long it will last, and what its goals are.

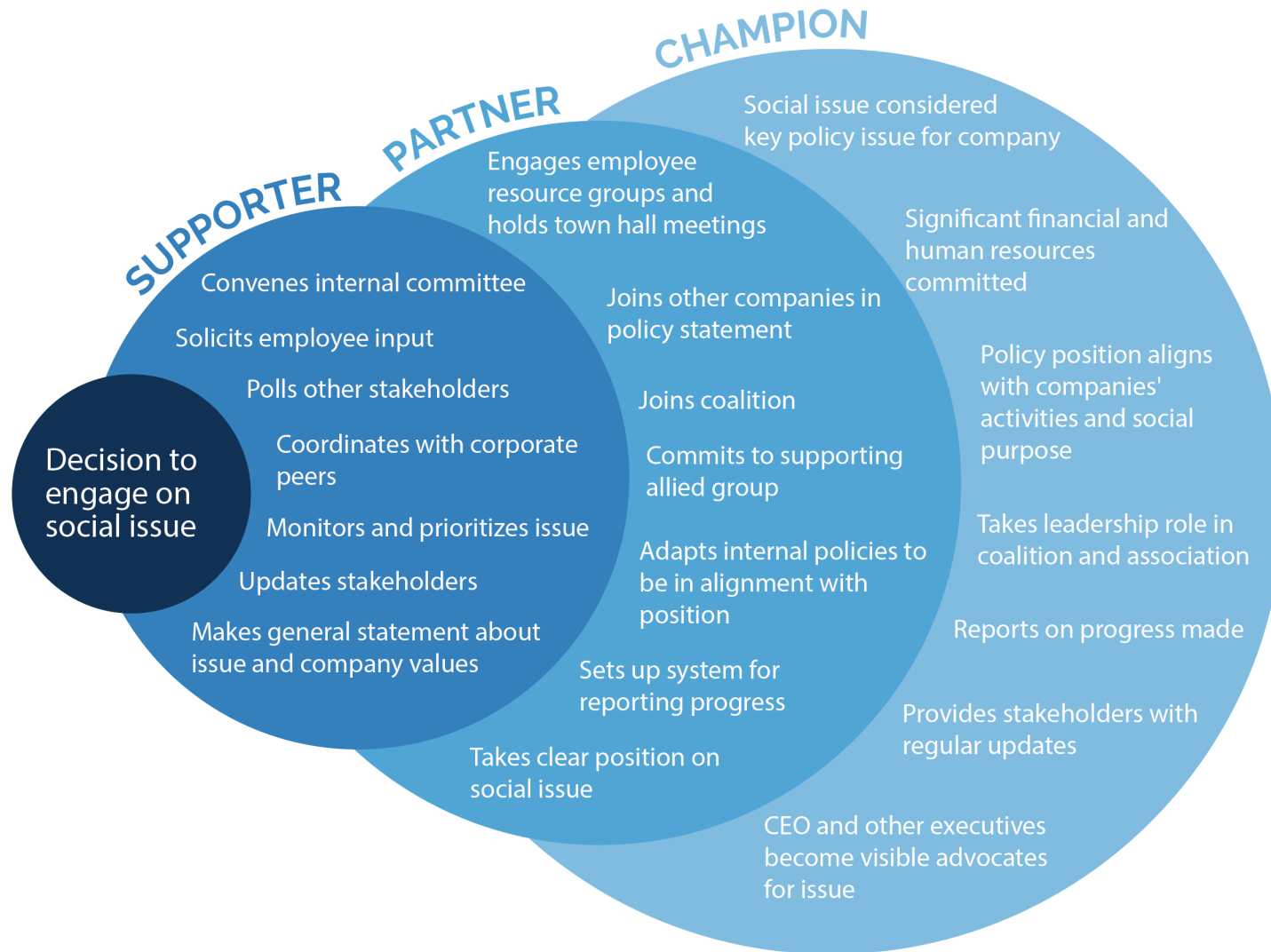
Because so many social issues have been politicized, a company's communications should speak about principles and values, not political beliefs. If it's appropriate in the announcement to call on Congress, state legislatures or other governing bodies to take action, companies should do so in good faith.

Moving Forward

In summary, here are eight key points to remember in setting up a system for evaluating and engaging in social issues:

1. Understand that employees and the general public have come to expect companies to engage in social issues.
2. Form a team of professionals that is well-versed in the issues and the company's business operations.
3. Make it a regular practice to research emerging issues and the company's opportunities and vulnerabilities.
4. Review corporate values and principles and match them up with current and emerging issues you may want to support.
5. Examine how key stakeholders are reacting to the issues.
6. If you are considering involvement in a certain issue, determine if you will be a supporter, a partner or a champion.
7. Draw up your commitment, consider its long-term ramifications and take your first steps to demonstrate support.
8. Develop and execute a communications plan and evaluate its results.

Remember, no matter how thoroughly you prepare for engagement, you may still face controversy. But you can be systematic in your planning, thoughtful in your communications and non-reactive when you receive criticism. You can also focus on your most important stakeholders and listen to any concerns they may have. Most people don't expect everyone to agree with them -- particularly when it comes to political issues. But they do expect and appreciate when a company's management shows respect for other points of view.





Contact Us

The Council is here to provide you with information and guidance as you build and implement a framework for social issues engagement. Please reach out to brainstorm processes, share guidelines and discuss strategy as we navigate political involvement and engagement on social issues. For more information, contact Nick DeSarno at ndesarno@pac.org or Doug Pinkham at dpinkahm@pac.org

© 2021 by the Public Affairs Council