

Transatlantic Trends

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@pacouncil

Public Affairs Council Profile

Year Founded	1954
Total Members	700 organizations
Total People Active	9,000
Events Per Year	110
Total Staff	23
Office Locations	Washington/Brussels
Politics	Nonpartisan/Nonpolitical

A word cloud visualization of terms related to stakeholder engagement and corporate social responsibility. The words are arranged in a circular pattern, with 'communications' and 'engagement' being the largest and most central terms. Other prominent words include 'stakeholder', 'public', 'relations', 'management', 'political', 'affairs', 'development', 'media', 'international', 'local', 'volunteerism', 'philanthropy', 'state', 'PAC', 'policy', 'involvement', 'education', 'federal', 'crisis', 'committee', 'association', 'activism', 'action', 'advocacy', 'ally', 'corporate', 'employee', 'external', 'supply', 'responsibility', 'issues', 'lobbying', 'internal', 'grassroots', 'shareholder', and 'social'.

The Member Experience



Old Trends that Will Continue

- Integration of public affairs functions – Comms, GR, CSR, sustainability, stakeholder engagement
- Proactive measurement/ROI
 - 360° evaluation of function
- Globalization of profession and planning

6 Disruptive Trends Affecting Public Affairs



Trend #1: Millennials



Public Affairs for Millennials

- Don't call them millennials!!
- Policymakers, staff, advocates
- How they learn, absorb info & engage
 1. Attention spans
 2. Visual storytelling
 3. Go where they are
 4. Want to make a difference
 5. Not brand loyal
 6. Diverse group: don't paint with a broad brush

Publicaffirstrendlab.com

A banner for Public Affairs Trend Lab. The background is a dark red overlay on a crowd of people holding protest signs. The signs include 'MEDICARE', 'FDA POLICY', 'HEALTHCARE SALES RESTRICTIONS', 'REFORM', 'DRUG SAFETY', and 'IMPORTATION'. The US Capitol dome is visible in the background. The text 'Public Affairs Trend Lab' is centered in a white serif font, with 'Trending Now: 18 Powerful Examples of Visual Storytelling for Public Affairs' below it. A white chevron points down. The top left has the logo 'Public Affairs Trend Lab' and the top right has a hamburger menu icon. The bottom of the banner has the text 'Explore the Impact of Visual Storytelling' in a teal serif font.

Public Affairs
Trend Lab

to make sure government understands our perspective on important issues

**Public Affairs
Trend Lab**

Trending Now:
18 Powerful Examples of
Visual Storytelling for Public Affairs

Explore the Impact of Visual Storytelling

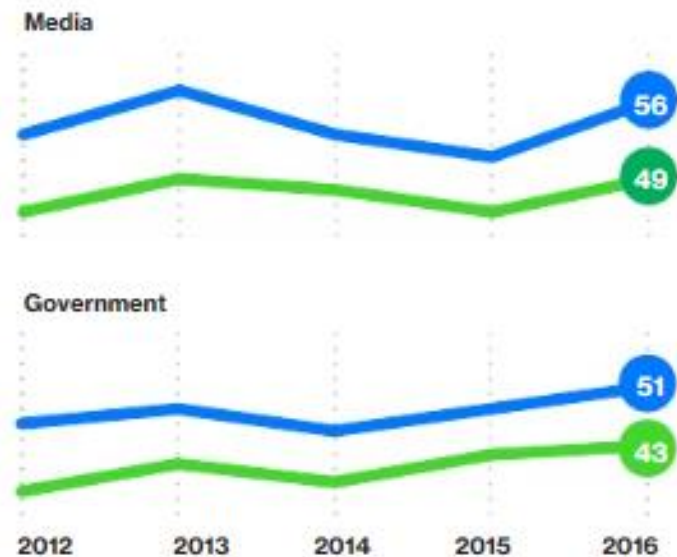
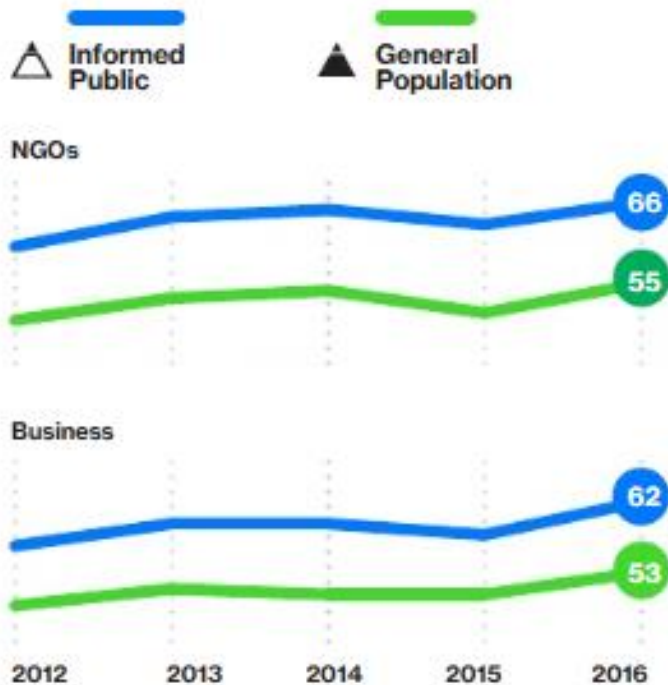
Trend #2: Low Trust in Big Institutions



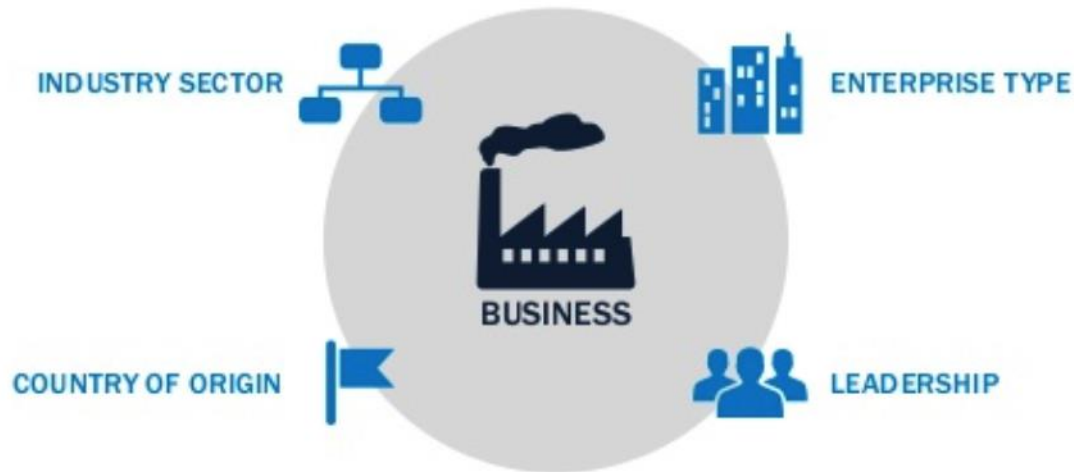
Edelman Trust Barometer 2016

Post-Recession Highs

Percent trust in the four institutions of government, business, media and NGOs, 2012 to 2016



Four Key Factors Affecting Trust



All are showing similar patterns of a post-recovery increase in trust, followed by new declines in the last 12 – 18 months

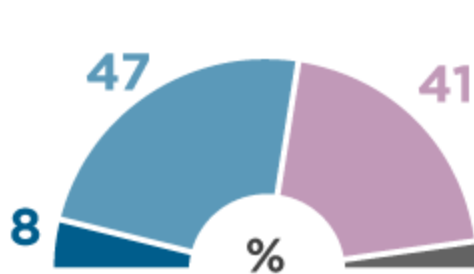
How to Build Trust?

- Need to humanize organization and issues
- Think tribal mentality
- Spokespeople and heroes in stories should be “like the audience”
- Peers as validators: science, research and proof aren’t enough – personal stories, peer support, testimonials

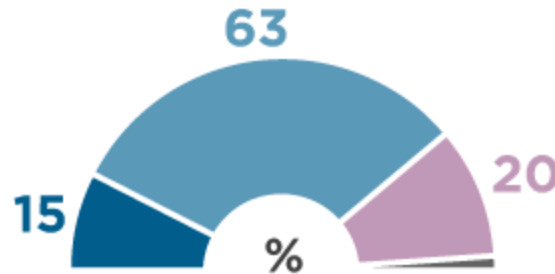
Honesty Meter

How would you rate
the honesty and ethical
standards of...

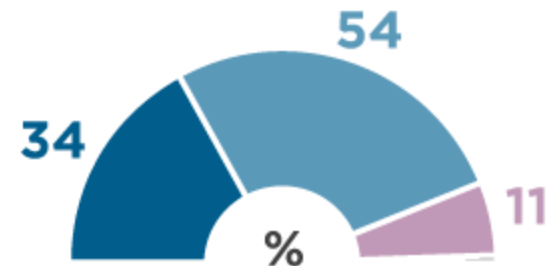
CEOs of major
companies



Mid-level managers
who work for major
companies



Employees of major
companies who are not
part of management



● High ● Average ● Low ● Don't know/Refused

2015 Public Affairs Pulse Survey
www.pac.org/pulse



Trend #3: Political Unpredictability



What is Going On?

- Trump: pollsters and media missed it
- D.C. bubble
- Party position shift on major issues
- U.S. went from federal to state focus; with Trump, may shift back
- What's likely to stay the same?
 - Regulatory advocacy & ballot initiatives



What is Going On?

- a. EU/EP changes
- b. National elections
- c. Brexit
- d. Populism

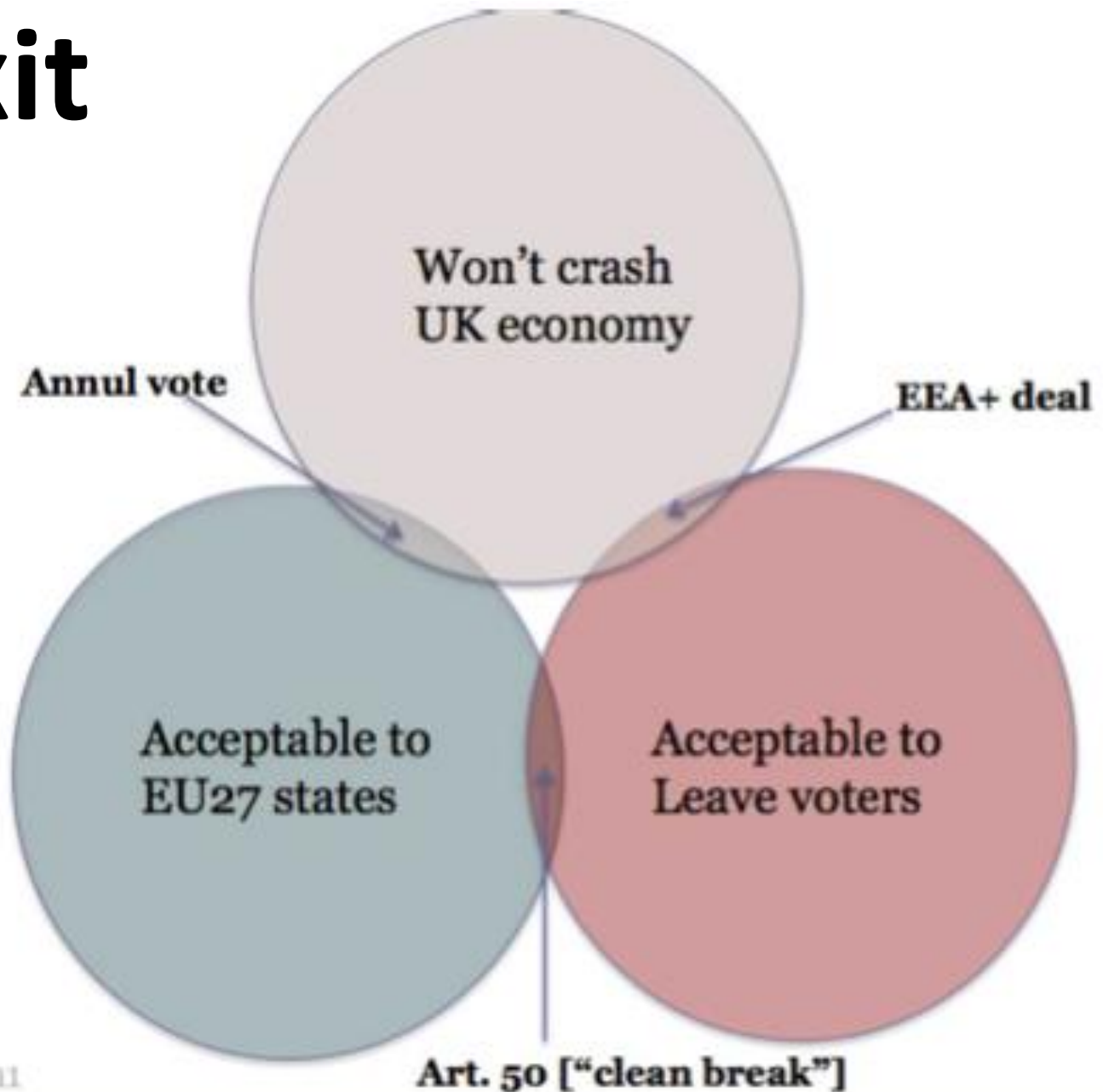
EP reshuffle



2017



#Brexit



© #quantian1

	Anti-austerity	Anti-globalization	Anti-eurozone	Anti-establishment	Anti-European Union	Anti-immigration	Anti-Islam
Podemos Spain	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Syriza Greece	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Five Star Movement Italy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
U.K. Independence Party Britain	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
National Front France	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Freedom Party The Netherlands	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Alternative for Germany Germany	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Freedom Party Austria	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>



**Trend #4:
Noise**

Noise

- Never been a noisier political/media environment
- Fake news stories
- People likely to tune out of everything
- Likely to only get traction on big issues
 - Small/medium issues will get lost in public shuffle
 - That's where good grassroots can help

Trend #5: Engagement on Social Issues



Expectation of Corporate Engagement

- Companies expected to share social values of customers
- Societal expectation is that role is played not only in CSR and sustainability but also social issues

Taking a Stand on Social Issues

On Leadership | Analysis

Corporate America's embrace of gay rights has reached a stunning tipping point

By Jena McGregor April 5

Harvard
Business
Review

SUSTAINABILITY

Business Is Taking Action on LGBT Rights. Will Climate Change Be Next?

by Andrew Winston

FORTUNE INSIDERS LEADERSHIP

Why Apple's Tim Cook and Other CEOs Are Speaking Out On Police Shootings

COMMENTARY by Aaron K. Chatterji JULY 16,

JUL 21, 2016 @ 07:18 PM 398 VIEWS

The Little Black Book of Billionaire Secrets

NBA Pulling 2017 All-Star Game From Charlotte Shows Sports Leagues Lead On LGBT Issues

New Research from the Council



Taking a Stand: How Corporations Speak Out on Social Issues

Introduction

Major corporations are facing growing pressure to weigh in on social issues — and this pressure is coming from both internal and external sources.

In July 2016, the nonpartisan Public Affairs Council conducted a survey of major corporations to better understand how and why companies speak out on social issues such as discrimination, environmental sustainability, human rights and access to quality education. This study examines the sources of stakeholder pressure on companies, which issues companies are advocating for and what specific actions they have taken.

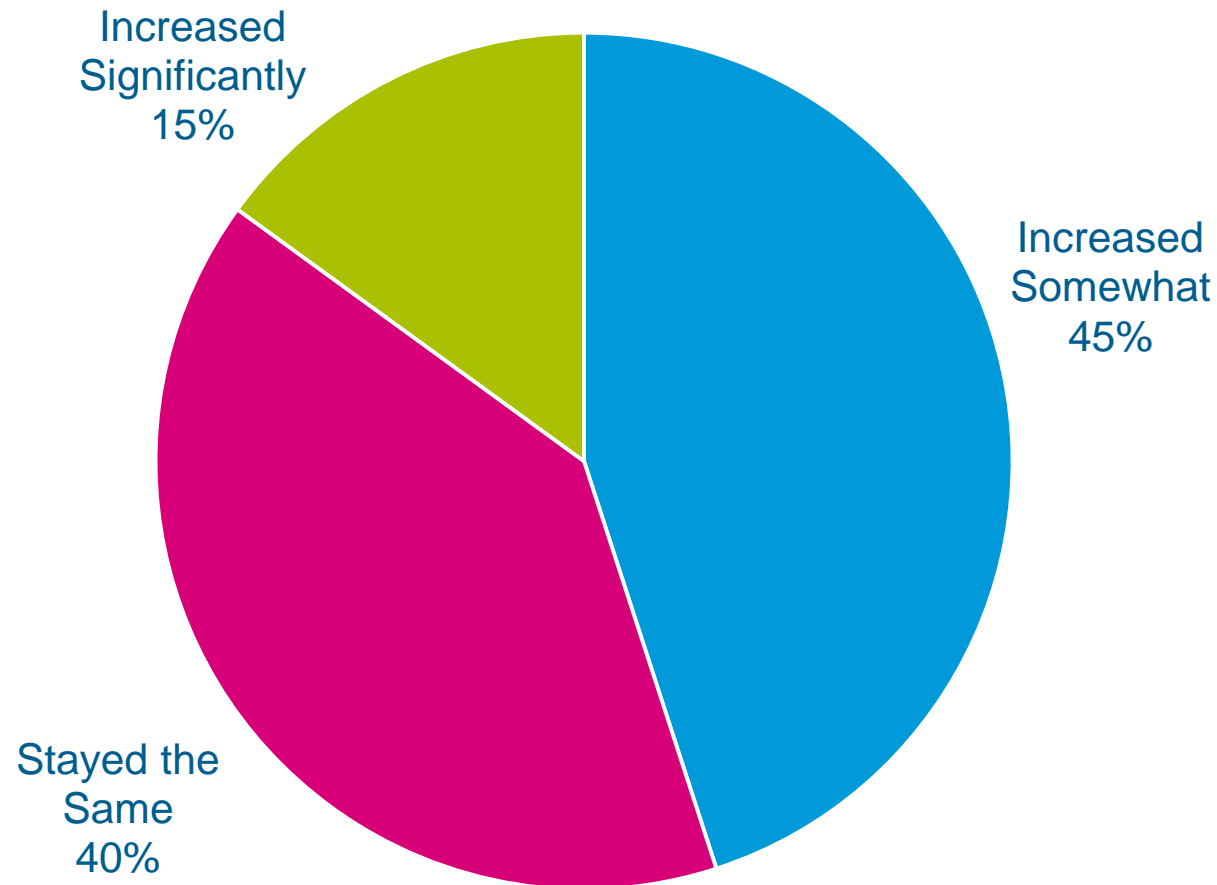
Key Findings

- Over the last three years, 60 percent of responding companies have experienced rising stakeholder pressure to get engaged in social issues such as discrimination, sustainability, human rights and education. None of the respondents reported that pressure had decreased.
- Seventy-four percent of respondents said they expect pressure to get involved in social issues will increase over the next three years.
- Stakeholder groups with the most influence over a company's decision to get involved are senior management, employees and customers.
- Expectations for involvement are highest among companies with more than \$15 billion in annual revenue. More than three-quarters of these firms said they experienced increased pressure to weigh in on social issues. Eighty-six percent of large companies expect it to increase further over the next three years.
- High percentages of companies said they were most involved recently in efforts to protect the environment (74%); end discrimination/restrictions based on sexual orientation (59%), gender (54%), gender identity (52%) or race (50%); improve access to quality education (59%); and protect human rights abroad (49%).
- Publicly traded corporations were more likely than private companies to experience growing pressure to engage, and they were more likely to be involved in efforts to support various social issues.

- Poll conducted of 92 corporate public affairs executives via Survey Monkey
- August 2016 timeframe
- Conducted by Council staff

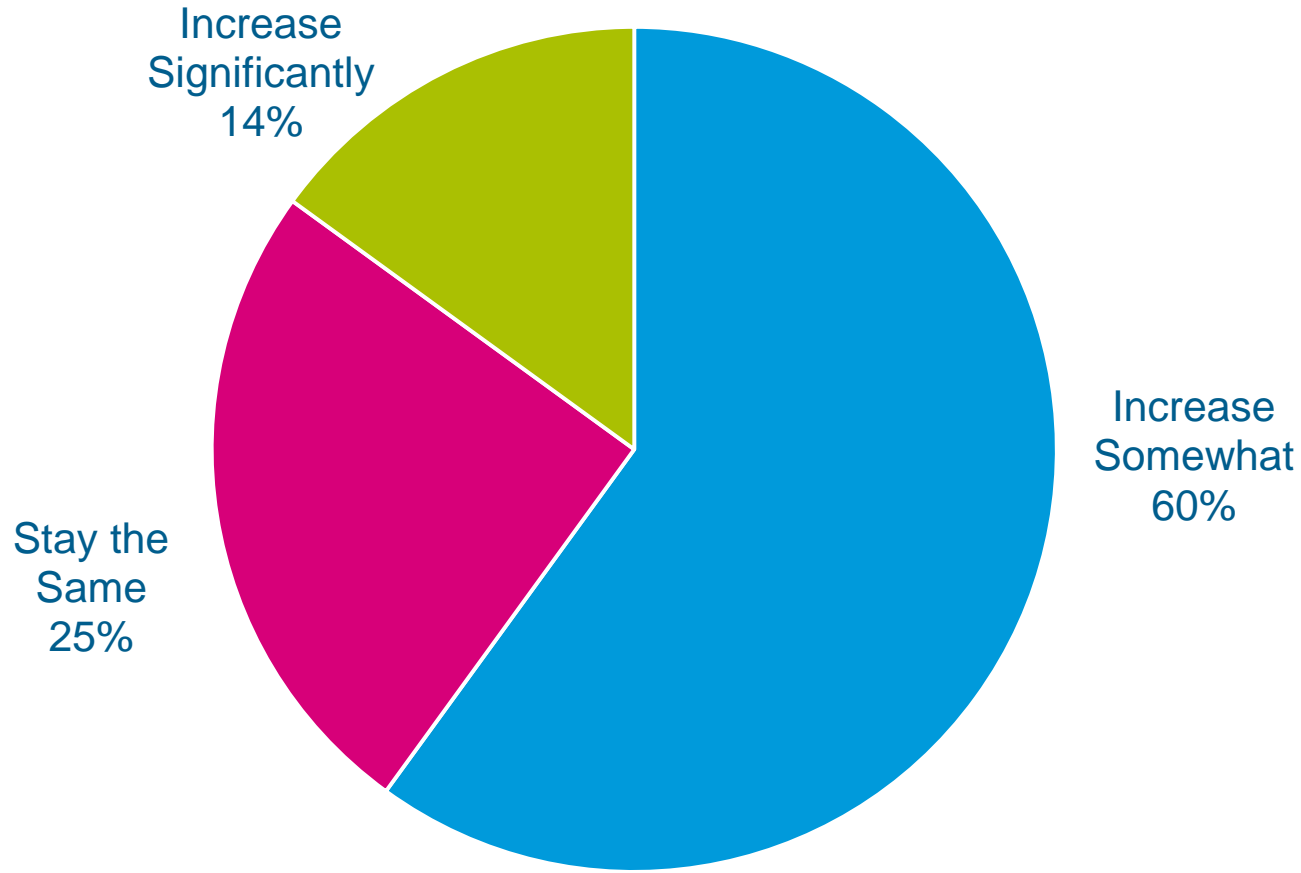
Pressure to Engage on Social Issues

Public Pressure Over Last Three Years

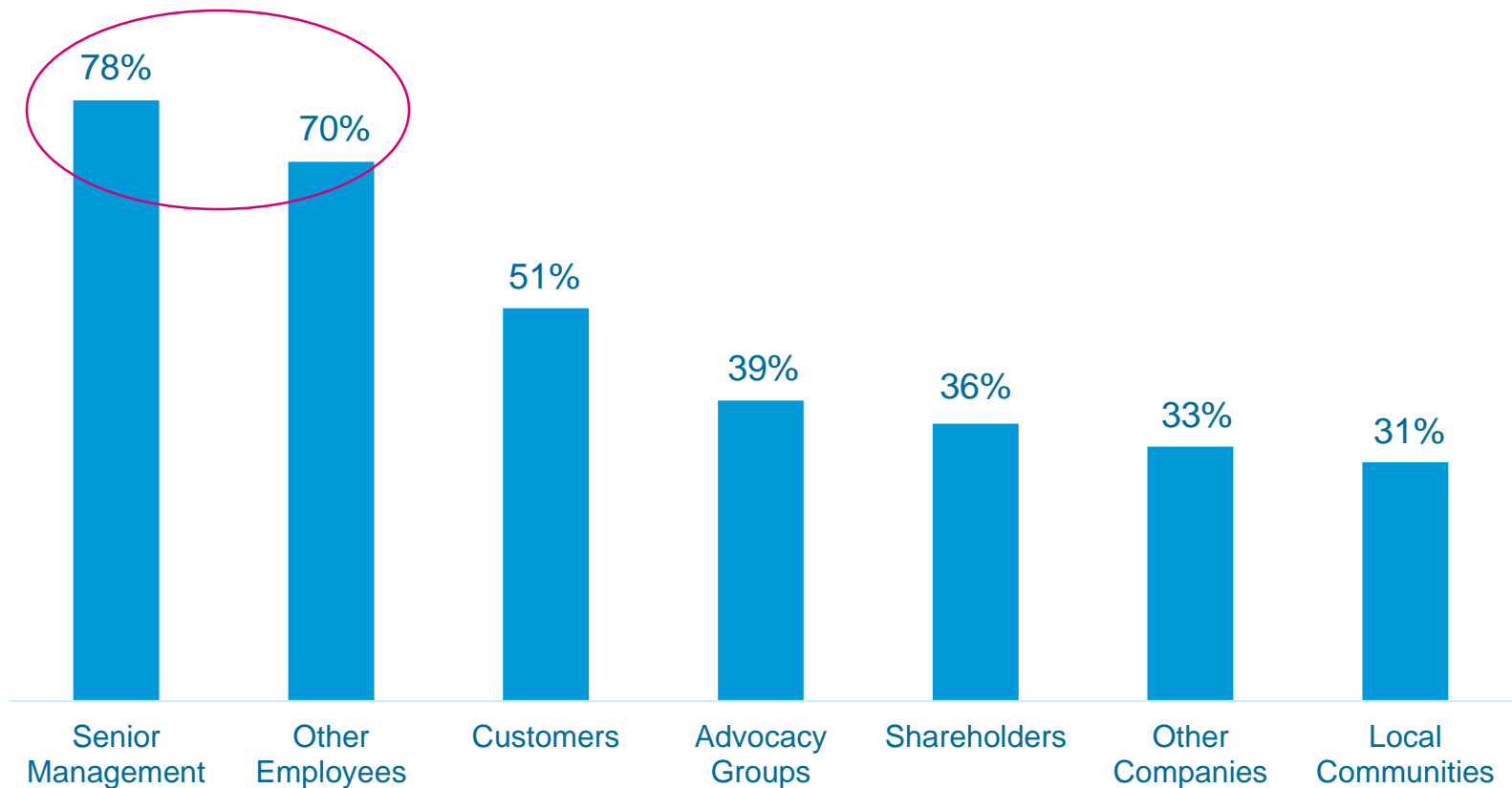


Pressure to Engage on Social Issues

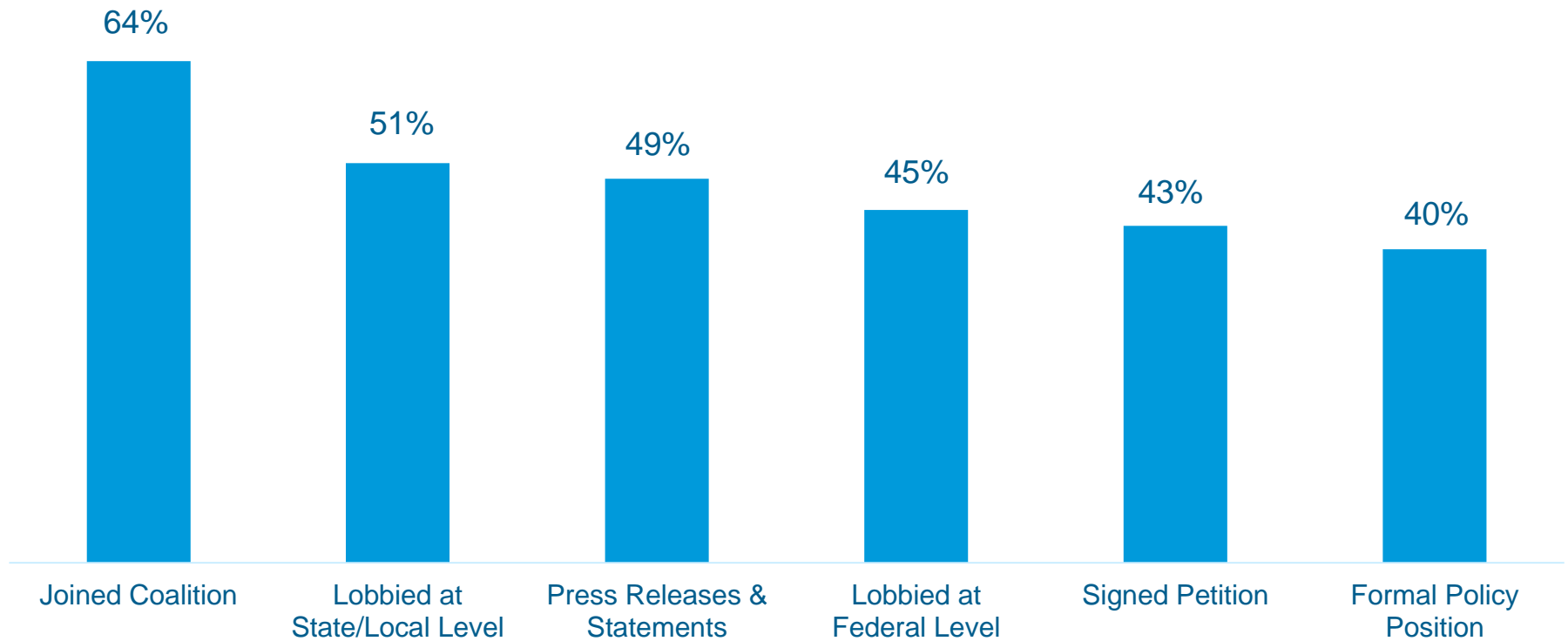
Public Pressure Over Next Three Years



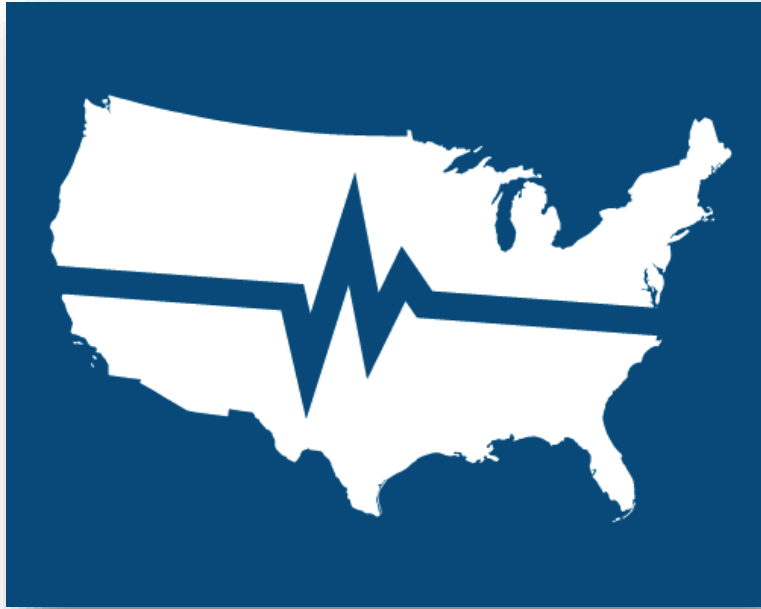
Where Pressure is Coming From



Most Common Advocacy Strategies



New Research from the Council

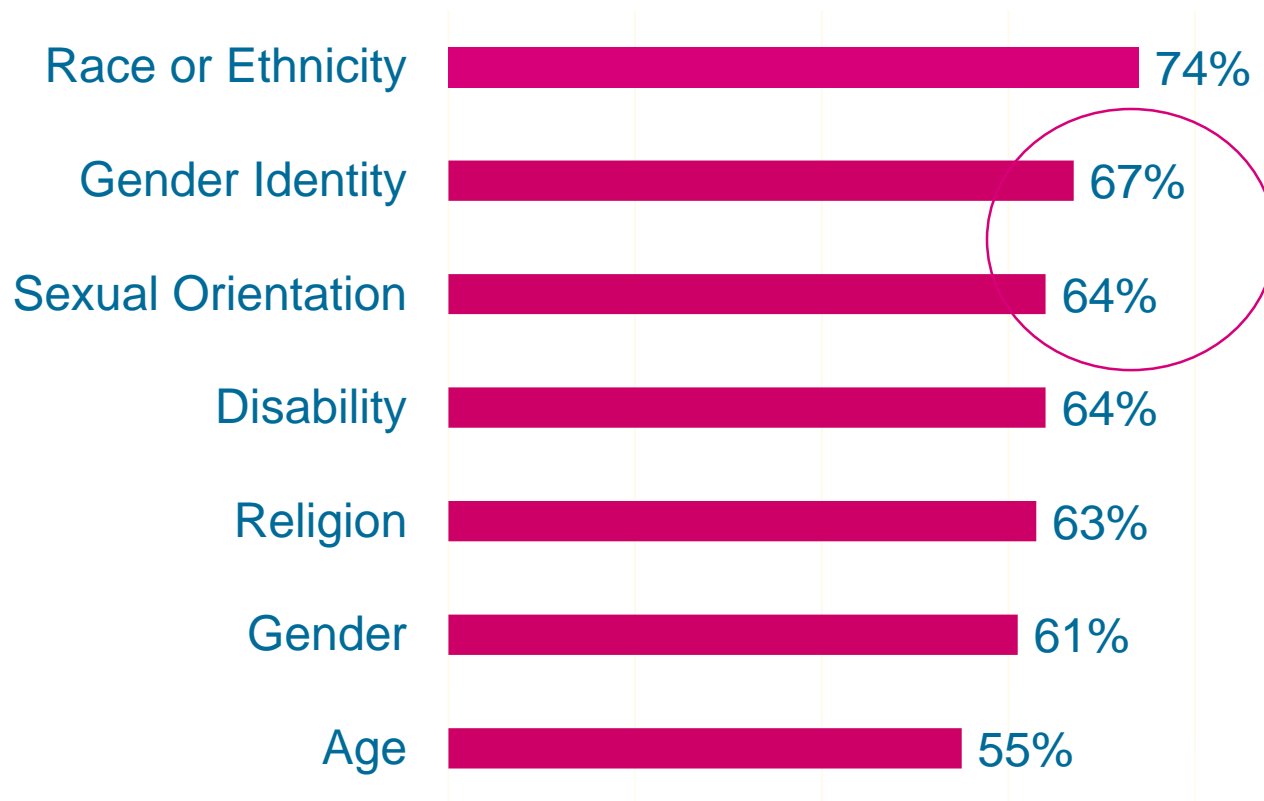


2016 Public Affairs Pulse Survey

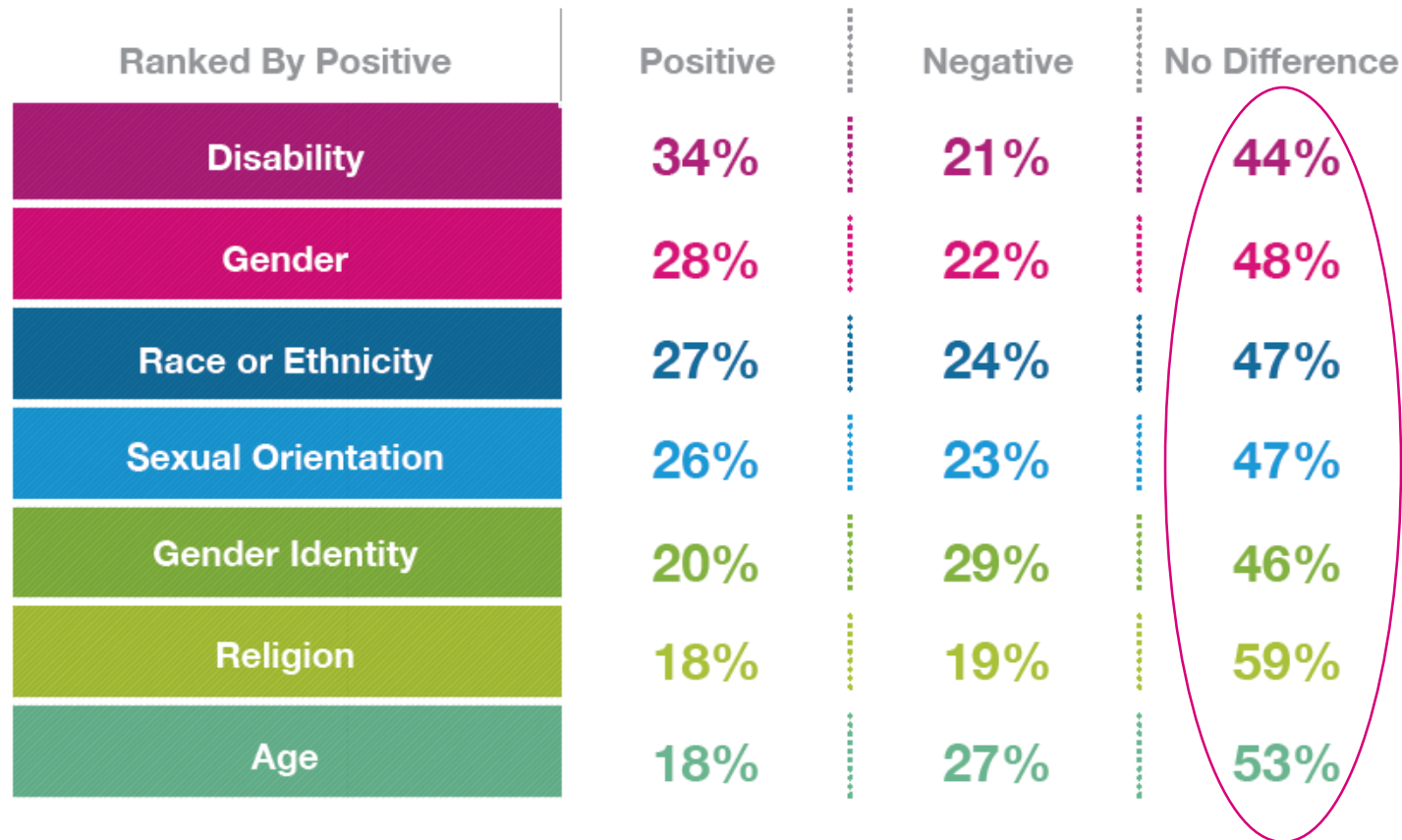
- Telephone poll of 1,000 Americans
- Poll in field Sept. 12-17, 2016
- Conducted by Public Opinion Strategies

How Americans View Discrimination

Percentage Saying Discrimination is Serious or Very Serious Problem



Are Companies Playing Positive Role?



Opinions of Firms That Take Action

Ranked By Net Difference	More Favorable	Less Favorable	No Difference
Disability	69%	5%	26%
Race or Ethnicity	62%	5%	32%
Age	60%	5%	34%
Gender	60%	6%	33%
Sexual Orientation	56%	7%	36%
Religion	55%	7%	37%
Gender Identity	53%	10%	36%

Trend #6: Professional public affairs



- a. Increased importance
- b. Strategic approach
- c. Integrated comms
- d. Digital beyond social
- e. Changing skillset

Government and Regulators are expected to have most impact on company's economic value after customers



Which of the following stakeholders do you expect will have the greatest effect on your company's economic value in the next 3-5 years?

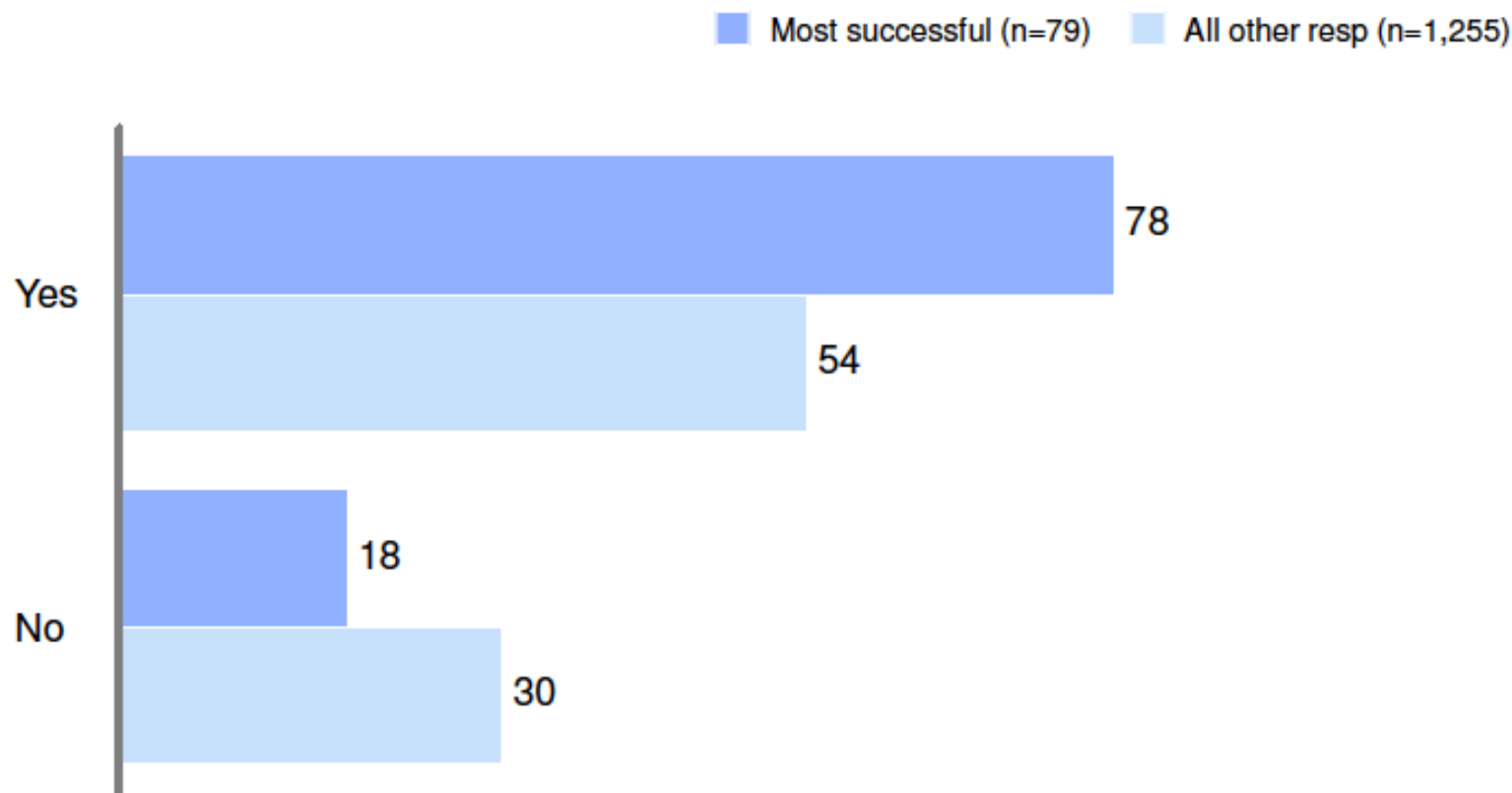
	2009	2013	2015
01	Customers 	Customers 	Customers 
02	Government 	Employees 	Government 
03	Employees 	Government 	Regulators 
04	Investors 	Regulators 	Employees 

Most successful companies have integrated communications and external affairs functions

Percent of respondents, n=1,334



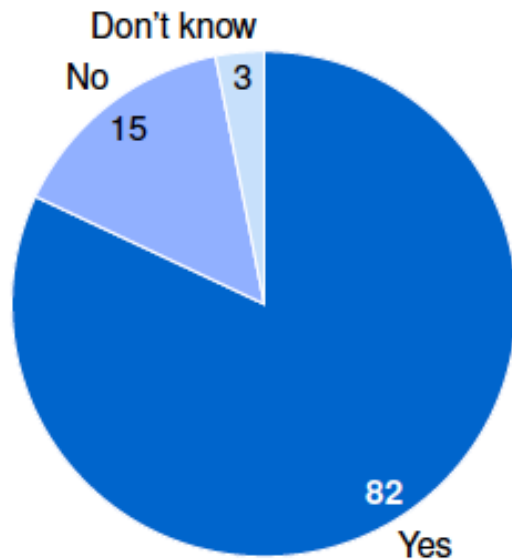
Is your company's communications function part of your external-affairs function?



Most companies are now using digital tools for stakeholder engagement and are planning to invest even more



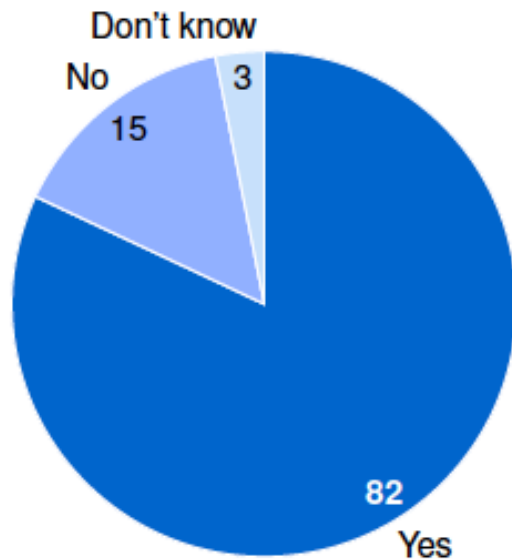
Has your company used digital tools (e.g., blogs, social media, newsletters, stakeholder-mapping tools) in the past 12 months?



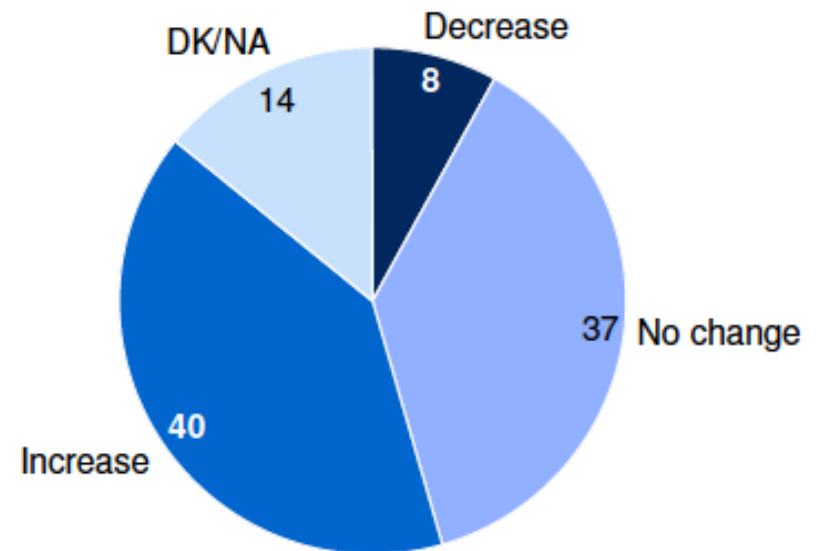
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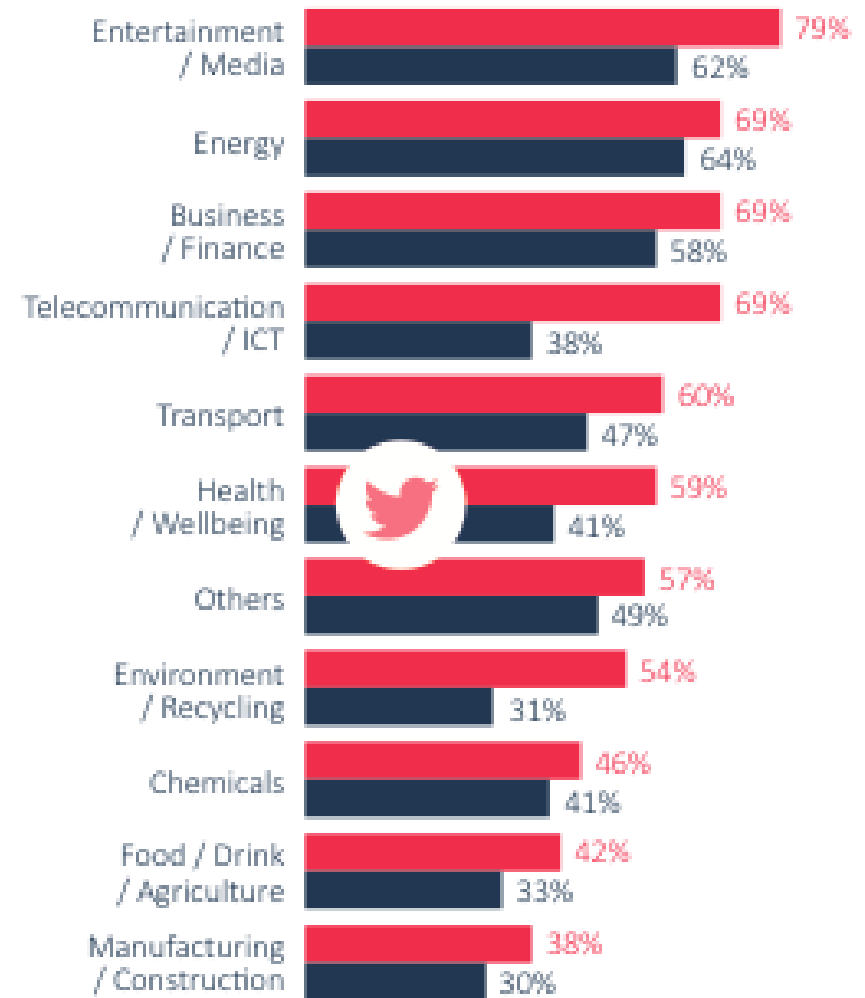
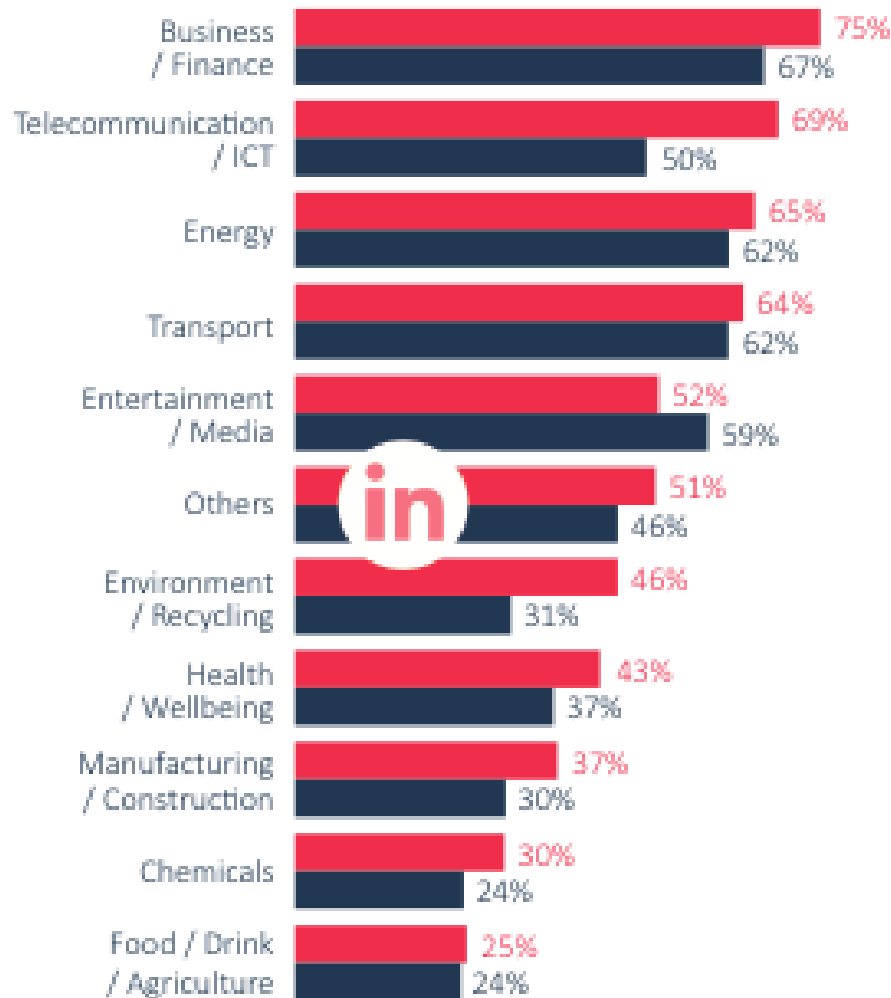
Over the next 12 months, how do you think the share of your external-affairs budget that is spent on digital activities will change, if at all?



European Trade Associations

Social media adoption 2015-2016

► ADOPTION BY SECTOR



Online ads to drive advocacy messages

YouTube 25 views

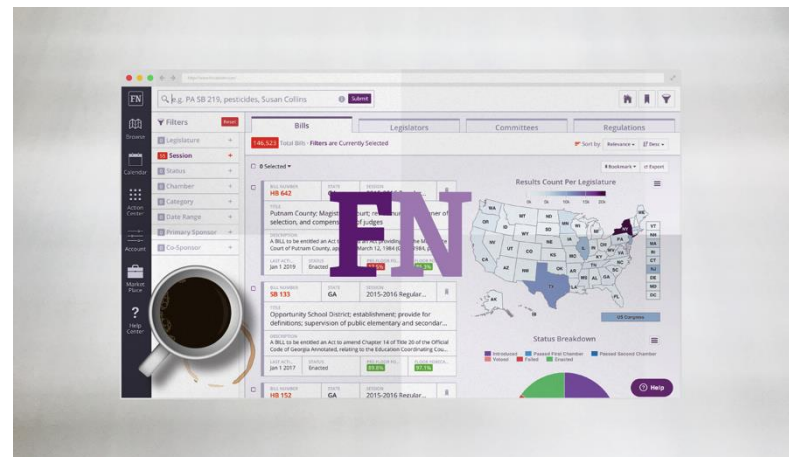


Via Twitter 2,507 views



+ €80 = x100 engagement & ROI

Digital beyond social



Changing skillset





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