

June 2009 Corporate Communiqué

A conversation about business, policy and communication

What the Graduates Heard

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Commencement speeches serve as a signpost. Every year, the messages mirror the issues confronting business and society. In 2008, for example, speakers conveyed the importance of fostering social responsibility; developing global perspective; building trust; recognizing the power of collaboration; and employing their imagination. This year, with the recession and job market as a backdrop, *leadership* proved the clear topic de jour – a subject that has special significance to the corporate communications world.

CEO speakers, in particular, chose leadership as their subject. They contended that these times require graduates to assume leadership roles wherever they land. No doubt it reflects the steep loss of trust in corporate and political leadership sparked by the economic slide and financial crisis. The [2009 Edelman Global Trust Barometer](#) captured this decline.

At [Quinnipiac University](#), CEO William C. Weldon of Johnson & Johnson urged graduates to develop strong leadership skills both in their personal and professional lives, asserting that “perhaps at no time has there been a greater need for leadership at all levels of government, business and education.” Leaders, he said, “are people who set a real vision for their businesses and for themselves. Then they motivate others toward that vision.”

CEO Clarence Otis Jr. of Darden Restaurants told [Williams College](#) seniors they have a “leadership obligation” for “inspiring people to work on new things or to work in different ways.” To satisfy that leadership debt, Otis said, “takes three things: sustained curiosity, the ability to dream big dreams and meaningful expertise, or know-how.”

JPMorganChase CEO Jamie Dimon defined leadership to [Harvard Business School](#) graduates, as including discipline; fortitude—the “fierce resolve” to act in face of pervasive resistance to change; setting standards for performance, integrity, and the drive to “look at the facts in a cold-blooded, honest way all the time.”

If corporate leaders and communicators had been the graduates, they would have preferred hearing about specific formulas for reviving trust in corporate leadership. For that, *public engagement* proves key. It moves business to a mindset of *contribution*, not *control*. It has four pillars.

- *Private-sector diplomacy*: Businesses must partner with governments and non-government organizations to tackle key regulatory issues and social problems. This gives business the opportunity to take the initiative and propose appropriate regulatory frameworks across borders. If they don't, they risk having policies thrust on them.
- *Mutual social responsibility*: Companies must fashion a viewpoint on pressing societal issues – not just on those that concern their industry. The public needs to see

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companies take on tough problems such as climate change, health care and energy independence. Americans also need to know what companies are doing to address these problems. Companies should realign their business practices so they can both make a profit *and* serve the public good.

- *Shared sacrifice*: CEOs must demonstrate—through voluntary pay cuts or otherwise—that they feel recession's effects. A voluntary one-year forfeiting of a bonus serves as a powerful message. A new standard must be used to evaluate the appropriateness of gifts, entertainment – even the choice of hotels and resorts for meetings.
- *Repeated, swift, and accountable communications*: The latest Edelman Trust Barometer found that 60 percent of respondents must hear information about a company three to five times before they believe it. The CEO should set forth the company's position, but then it must be echoed by others, including individuals who sit *outside* the company—industry experts, academics and ordinary citizens, among others

Communicators have an unparalleled opportunity, and responsibility, to lead by helping their organizations shape policy and strategy, partnering with government and NGOs, being transparent by speaking publicly about goals, and then to document successes and failures.

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