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"Evolving Notions of Corporate Responsibility: Seizing the Next Horizon"

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EVOLVING NOTIONS OF CORPORATE RESPONSIBILITY: SEIZING THE NEXT HORIZON

By Art Stewart

All the recent debate about sustainability and doing good is critical for facing up to the challenges to our planet and our human community. But once again, quite a bit of emphasis is focused on eco-friendly products, green branding and other incremental tactics at the price of fully understanding how the notion of sustainability has evolved and changed. Haven't we been here before? What's different now is that our evolved consciousness reflects something far more prophetic: Many of our most fundamental assumptions about CSR are being reinvented in the wake of unprecedented opportunity and challenge.

The new way of thinking and doing is shaped by a number of strategic currents that have an impact upon communication as a leadership tool. Here are a few:

- More open horizontal organization structures will ensure interdependency between business units that are porous at the edges. These knowledge or competency clusters will dismantle functional domains and their insulated fiefdoms. Shared decision-making through collaborative leadership will facilitate more fluid knowledge transfer across the organization - critical for global competitiveness. It will also enforce a corporate culture of 360-degree accountability, fostering more truthful communication that helps instill integrity in management and business practices (i.e., financial transparency).
- Sustainability in practice will require organizations to live out their mission at every touch point in the value chain - from innovation, alliance-collaboration building and human resources to senior executive leadership, channel partnering, intellectual property management, technology transferring and outsourcing strategies. Every intention, internally and externally, will require a commitment to mutual gains.
- With fewer barriers between competitors, stakeholders and the innovators who bring ideas to life, a single act is both a direct result of, and has an effect upon, another single act of the same. Good or bad behavior will reverberate vastly beyond its immediate target.
- Traditional methods of competitiveness are becoming obsolete, as new ways of winning - fostered by collaboration and open sourcing - are possible. Organizations are increasingly defining trust zones in which they may share common aspirations and mutual gains with competitors. Sustaining the health of the whole will be critical to advancing the ambitions of any singular enterprise. The public has become acutely skilled at exposing and retaliating against predatory or monopolistic behavior.
- An evolved notion of news has forever changed the way communicators will manage public perception of responsible behavior. News is now a branded product that operates at the convergence of hard news headlines, opinion-commentary and argument packaged as debate. Consumers desire to be personally validated by having their perspective or convictions confirmed through branded affirmation journalism that delivers news product through the filter of packaged perspective. News consumers want meaning and emotion delivered in an interchange of experience and less of a dissertation of factual accountings.
- Brands are the new spirituality that brings meaning to life experiences. As Kevin Roberts, CEO of Saatchi & Saatchi Worldwide, noted in the recent PBS Frontline documentary "The Persuaders": "The rational side of life isn't enough. We've got too much information... We live now in the age of the idea. What consumers want now is an emotional connection."

In a public communication context, facts get blurred into interpretation, measure becomes exaggeration and leaving an impression overrides the call to inform. Control of sourcing, scrutiny and distribution has been taken from the established media and given to the consumer - a sort of Robin Hood story of redistributed power. Communicators will be increasingly challenged to convey the context of organizational actions while simultaneously satisfying news consumers' craving for emotional fulfillment.

- The face of the federal government will not be, as we have known it. And that is good and bad news for corporate responsibility. With ingrained budget constraints, political gridlock and systemic influence

peddling, a detachment from real-world solutions is feeding government ineptitude and inefficiency. The future lies in public-private sector partnerships where problems are mitigated by social entrepreneurialism devoid of bureaucratic failings. Government will retain its constitutionally-bound oversight role while private enterprise becomes more of the appropriator and implementer of public interest programs. This will be both a boon and a nightmare for corporate organizations, especially those that provide essential consumer goods and services.

As these and other strategic currents come to pass, how should communicators exercise their leadership? Here are a few suggestions:

- **Manage the echo effect.** Technology advances such as Web 2.0 have made managing the echo effect a priority in any public communication. Original content is frequently re-distributed and then depicted out of context, serving up fodder for packaged misrepresentations that can convert your brand equity into an object of mockery or entertainment. These techniques are the new toolset for warfare against companies by interest groups seeking to exploit vulnerabilities.
- **Become more competent at scenario and contingency planning.** It is no longer good enough to be great at message crafting and execution. Communicators must build the strategic management function of scenario and contingency planning into the execution of their public communication programs.
- **Retire your assumptions about old models of marketing.** The chief marketing officer must become the chief relationship officer where the traditional structures of sales and marketing give way to a reconstituted relationship unit based on perpetual stakeholder conversation. Dogmatically controlling the message, hyper-managing perception, and pushing out product to create a market of customer need is now old school. New interactive methodologies, such as voice of the consumer market research, engage stakeholders in a perpetual dialogue on product and service innovation. Vigorously applied to CSR, these methodologies ensure that your public interest initiatives make a direct contribution to sustaining profitability.
- **Crisis managers need to become situation catalysts.** Instead of focusing solely on “making a problem go away,” convert perceived problems into leadership opportunities at the next business horizon. This will require transitioning the well-honed discipline of issues management from its traditional focus on liability containment into the leveraging of issues intelligence on behalf of stakeholder aspirations.

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