

THE CEO VIEW:
COMMUNICATIONS
AT THE CENTER OF
THE ENTERPRISE

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ARTHUR W. PAGE SOCIETY

EXECUTIVE SUMMARY

In the Arthur W. Page Society's 2007 report, *The Authentic Enterprise*, chief executive officers (CEOs) were interviewed about their evolving views on their chief communications officer (CCO) and the communications function in general. We repeated the study again in 2013, resulting in *The CEO View*. Both reports described a growing sense among CEOs that the communications function is becoming a more integral and strategically valuable asset to the enterprise.

In late 2016, we commissioned Penn Schoen Berland (PSB) to interview CEOs of member companies about their views on the communications function in general, and specifically about the role of their senior communications executives. In particular, we looked to assess whether the view of the CCO role put forth in the Page Society's *The New CCO* (2016) matched the perceptions of CEOs. Twenty-four CEO interviews were conducted by telephone in November and December of 2016, each lasting approximately 15-20 minutes. CEOs were assured that no statements made in their interviews would be directly attributed to them or their organizations.

Significant Shifts in Recent Years

- **Total business knowledge is table stakes.** In years past, CEOs have expressed *hope* that their CCO would know all about their enterprise's business in order to more strategically apply communications to advance its goals. Now, many CEOs *require* their CCO to be knowledgeable about the business – from strategy

to operations – so they are able to provide strategic input on issues that span business functions. This is especially true at enterprises with communications departments that are well established and have a broad mandate. At these enterprises, CCOs are expected to have enough business background and insight to weigh in intelligently on areas well outside of their core communications competency, such as supply chain, finance, sales and beyond.

"I don't think a healthy organization can do much without a CCO being involved in every part of the strategy and every part of the operation."

- **Uncertainty is inevitable.** CEOs are practical in their understanding that the business environment can never be controlled. They acknowledge that while political, social and economic conditions may be shifting, uncertainty is a way of life regardless of specific events.

“The business world is always changing, it’s always in a state of turmoil. One of the CCO’s key roles is managing our company’s reputation amid this environment and looking around the corner to see the challenges that may arise.”

- **Always on, always monitoring.** In 2013, CEOs were just coming to grips with the maturity of social media and saw the occasional flare-up as an anomaly. Now, more and more CEOs recognize the need to continuously monitor how customers, employees and traditional media are talking about their enterprises, and be able to engage in those conversations in real-time. What was once a special, crisis-only function has now become, in many cases, a core function for the CCO.
- **Social value must be baked into the business plan.** In earlier studies, CEOs acknowledged the importance of social value as manifested in Corporate Social Responsibility (CSR), but it was less central, less communicated, and something that often happened far down the chain of command. Now, CEOs believe that communicating how their companies positively impact the economy, the environment and local communities is as important as communicating about the quality of their products/services or their financial status.

The Evolving Role of the CCO

- **Communications is officially a central part of the corporate strategy.** Earlier studies found communications to be an embryonic part of CEO thinking (2007) and then, later, an important contributor (2013). Now (and especially at Fortune 500 companies), the CCO is often recognized as a key leader and contributor to the company’s success and plays a critical role on par with other C-Suite members in creating and implementing company-wide strategy.

- **The CCO must oversee corporate character across the whole enterprise.** In a world where everyone is now a communicator, CEOs expect the CCO to gather inputs for corporate character, help to define it and ensure it is authentic and aligned with the actual experience at all levels of the organization. In this respect, the CCO works across the C-Suite to ensure that corporate character permeates the entire enterprise.

“The CCO facilitates corporate character by looking across the business and ensuring all parts of the organization are aligned – as in, ‘Is the brand aligned with the mission? Is what we’re saying both internally and externally consistent with that mission? Is it consistent with how we communicate with customers?’ That’s a key role for the CCO.”

- **The line between internal and external communications is now blurred.** CEOs say the growth and scope of social media in particular has created a need to effectively arm the workforce to be ambassadors for the enterprise. They realize that, especially around crises, employees are confronted with communications challenges in their “non-work” spaces, in-person and online, and want the CCO to ensure all employees have the tools to respond consistently, legally and effectively.

Corporate Communications Priorities in 2017

- **Get everyone on the same page.** In 2017, CEOs are more aware than ever that a proactive narrative is a key part of both explaining the enterprise’s social value and defending the company’s reputation in the global marketplace. They want the CCO to be a driver of the process whereby the entire C-level contributes to, buys-in to, and then executes on that narrative. Fortune 500 CEOs in particular see this process as a key strategic function that also gives the CCO the long-term organizational

vision to help the CEO make good decisions when challenges arise.

“The CCO has to be someone who is strategic in their thinking and, for lack of a better term, playing chess, not checkers. You don’t need to be just reactive to the latest crisis – the thing you’re dealing with right now. It’s thinking through, ‘Where is this going to lead us?’ and making sure we understand where we’re going.”

- **Determine the ideal KPIs for the organization.** Unsurprisingly, CEOs are most comfortable with concepts that can be measured effectively, consistently and, ideally, across their enterprise’s competitive set. They acknowledge that, at present, there is no single KPI that applies to every enterprise, but they do believe that it’s possible to customize a set of measurable indicators that provide real-time information on the reputational health of the brand. They look to their CCOs to propose and implement the tracking of reputational metrics and are beginning to hold them accountable to said metrics.

- **Help build the CEO’s personal brand externally.** In 2013, CEOs were concerned about social media’s impact on their companies. Now they recognize that to be effective leaders, their own public persona must be aligned with the enterprise’s qualities: authenticity, proactivity and transparency. They see the CCO as the natural enabler, advisor and guardian of their own personal communications, especially when it comes to social media, which many regard as a minefield.
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“Here’s a legitimate challenge that I have in my own mind that’s unresolved. The degree to which I, the CEO of a consumer-branded company, should be... I’ll just say it – should I be tweeting? My personal Facebook profile, I get message requests from people who aren’t my friends that are complimenting/complaining/whatever about the company. How do I engage as a CEO on social media?”

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