

# The Authentic Enterprise

*Relationships, Values and the  
Evolution of Corporate Communications*

# New Goal to Advance Mission

Better understanding among CEOs, other C-suite executives and boards of the value of the Page Principles and the appropriate role of the chief corporate public relations officer.

# The CEO's Challenge

# CEO View of Communications

- **See the chief communications executive:**
  - More valuable than ever
  - Likely to increase in value going forward
- **Need to be business-savvy executives**
- **Critical part of the executive team**
- **However...**
  - Not all CEOs agree on C-suite status
  - Varying opinion on whether Communications needs to be at the table for non-communications decisions – M&A, new markets, new products

# CEO View of Communications

***“You want the head of your communications staff to be stronger... more experienced, higher quality thinking process, being able to see around the corners, broader experience base. All those things.”***

# CEO Challenges

- **Profound shift in public and government view of corporations**
  - Enhanced regulation (e.g., Sarbanes Oxley)
  - Diffusion of media
  - Corporate scandals
  - Changing employment patterns
- **Blurred lines between “inside” and “outside” communications**
- **Changing context for business and society**
  - Digital network revolution
  - Expanded and empowered range of stakeholders
  - Globalization

# Drivers of Change

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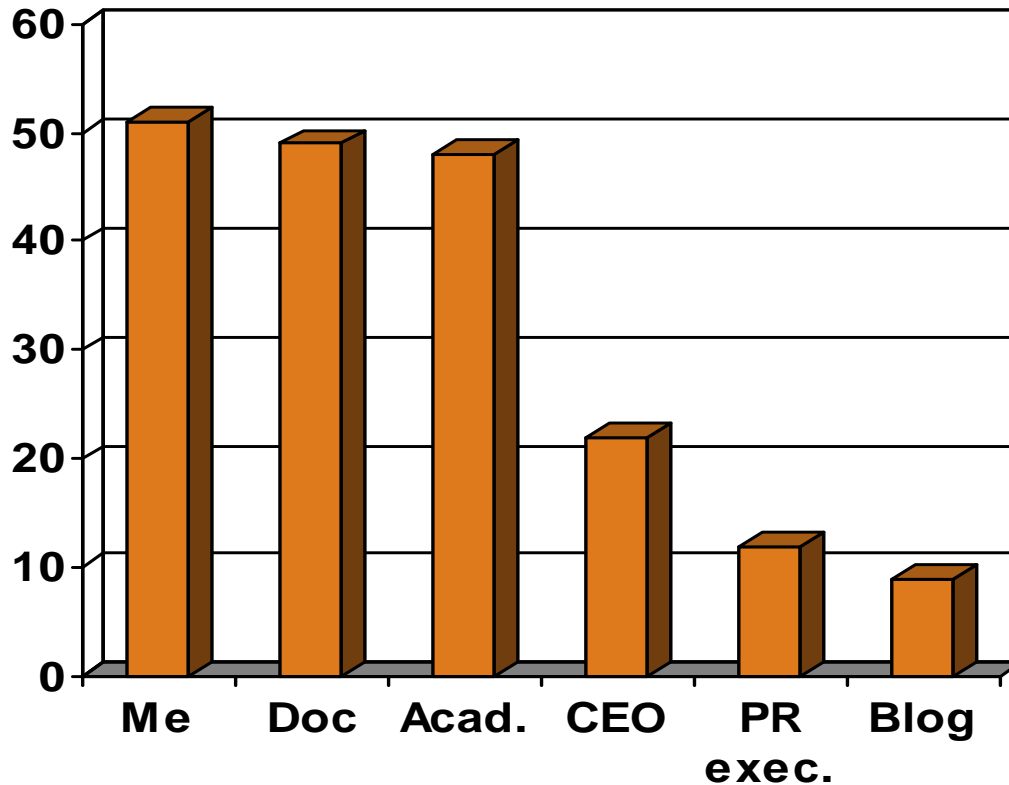


# The Digital Network Revolution

- **YouTube** is currently serving 100 million videos per day, with more than 65,000 videos being uploaded daily.
- **Second Life** is currently inhabited by over 2.5 million people from more than 80 countries. They transact nearly \$500,000 in real money daily on everything from t-shirts to real estate.
- U.S. teenagers spend 60 percent less time watching **TV** than their parents, and 600 percent more time online.
- The number of U.S. online **video viewers** is expected to surge to 157 million in 2010, from 107.7 million in 2006, according to eMarketer.
- As of May 1, 2007, Technorati was tracking 75 million **blogs**, increasing at a rate of 175,000 new blogs created daily.
- More than 450 million **camera phones** were shipped in 2006. At current growth rates, there could be one billion camera phones in use worldwide by 2008. That's nearly one-sixth of the world's population.

# U.S. Credible Spokespersons

Source: Edelman Trust Barometer



"Please tell me how you would rate the honesty and ethical standards of people in these different fields: very high, high, average, low, or very low? . . . ."

Very high/ High %

Nurses	84
Druggists, pharmacists	73
Veterinarians	71
Medical doctors	69
Dentists	62
Engineers	61
Clergy	58
College teachers	58
Policemen	54
Psychiatrists	38
Bankers	37
Chiropractors	36
Journalists	26
State governors	22
Business executives	18
Lawyers	18
Stockbrokers	17
Senators	15
Congressmen	14
Insurance salesmen	13
HMO managers	12
Advertising practitioners	11
Car salesmen	7

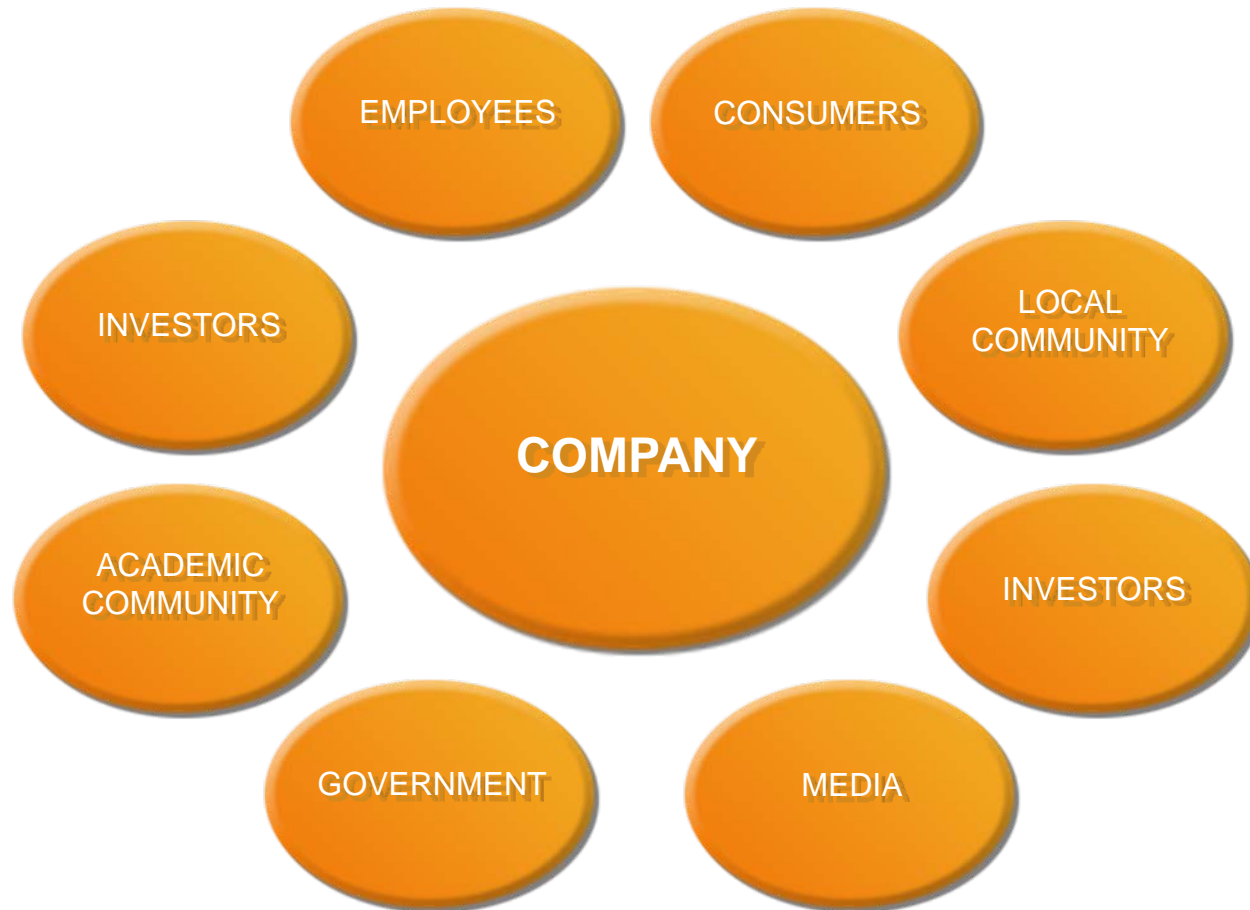
# Trust in Institutions to Operate in Society's Best Interest \*

▪ Armed forces	+43%
▪ NGOs	+27%
▪ Education system	+26%
▪ Health system	+17%
▪ Trade unions/labor	+2%
▪ Legal system	-2%
▪ Global companies	-9%
▪ Large national companies	-10%

Accenture *The Business of Trust*, World Economic Forum Voice of the People Forum

\* Net Rating = % trust - % distrust

# Influencers

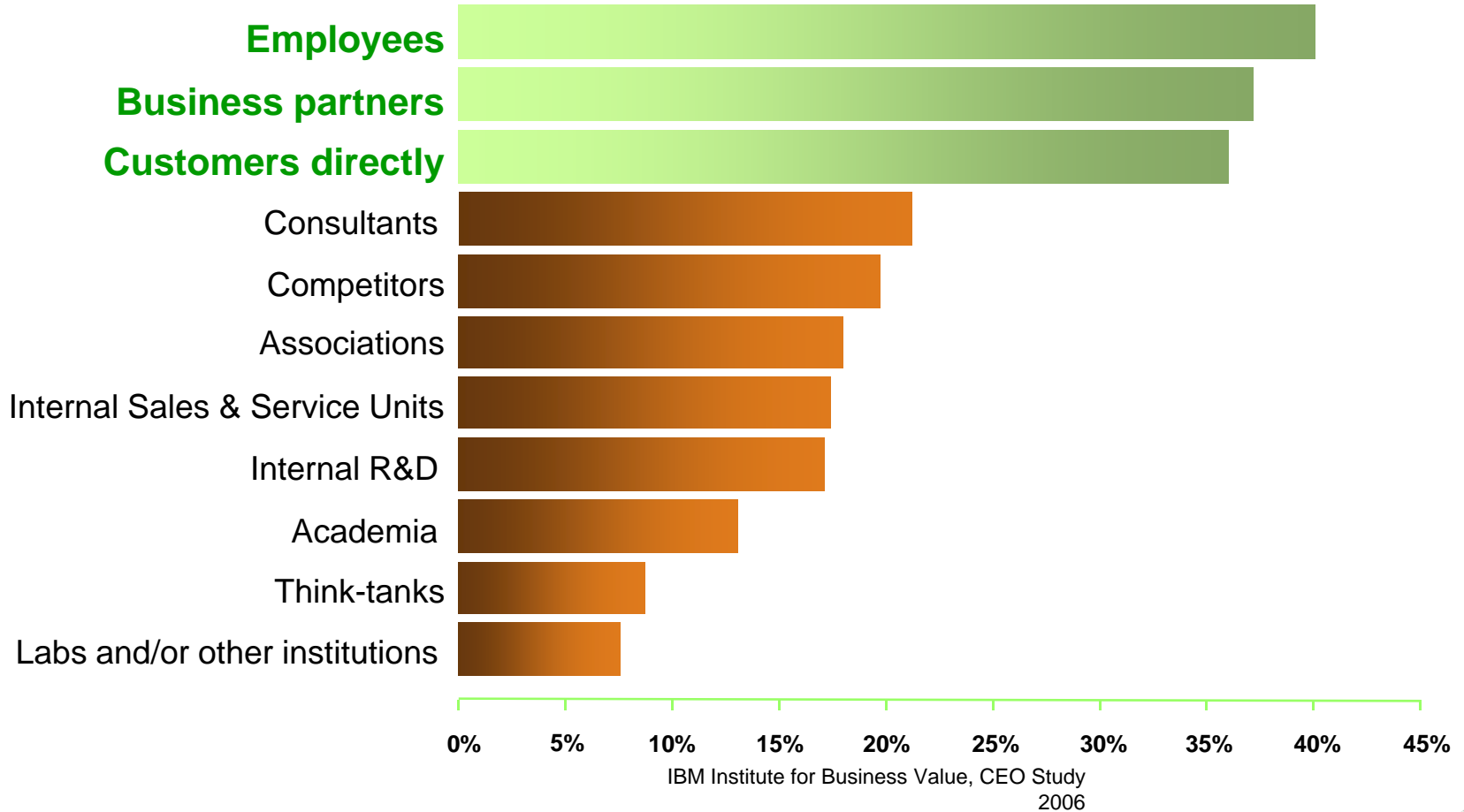


# Implications

- **New forces are overturning corporations' ability to manage perceptions.**
- **Opens up powerful new possibilities:**
  - to reach stakeholders
  - advance policy interests
  - build brand
  - enhance reputation

# CEOs: Top Source of New Ideas and Innovation

*Collaboration sparks innovation*



# CEO View of Communications



- Prioritize inquiries
- Manage press & events
- Spokespersons
- Monitor reputation
- Crisis management

- Develop ideas & campaigns
- Messaging
- Monitor reputation across stakeholders
- Educate employees

- Collaborate with key Stakeholders
- Define and enable company values
- Shape strategic direction
- Measure results

***CEOs feel that communicating their company's values has become more complex at the exact time that it has become absolutely essential.***

# The Authentic Enterprise

# The Authentic Enterprise

## ■ au·then·tic, adj.

- Conforming to fact and therefore worthy of trust, reliance, or belief: *an authentic account by an eyewitness.*
- Having a claimed and verifiable origin or authorship; not counterfeit or copied: *an authentic medieval sword.*
- Law* Executed with due process: *an authentic deed.*

- American Heritage Dictionary

# The Authentic Enterprise

- The enterprise must be grounded in a sure sense of what defines it (mission, values, principles, beliefs).
- And those definitions must dictate consistent behavior and actions.

In place of the voice of “authority”,  
stakeholders demand proof of *authenticity*

# The Authentic Enterprise

## The Page Principles

- Tell the truth.
- Prove it with action.
- Listen to the customer.
- Manage for tomorrow.
- Realize a company's true character is expressed by its people.
- Conduct public relations as if the whole company depends on it.
- Remain calm, patient and good-humored.

# The Authentic Enterprise

**“All business in a democratic society begins with public permission and exists by public approval.”**

- Arthur W. Page

# A Call to Action

# Implications for the profession

- **Not only develop channels of communication, but networks of relationships**
  - Enable the corporation with new media skills and tools
- **Not only position, but define the corporation**
  - Authenticity is the coin of the realm
  - Values are the foundation of authenticity
- **Not only change perceptions, but change realities**
  - Activate values systemically across all stakeholders

# The New Chief Communications Officer

- **Must assert leadership in:**
  - Defining and instilling company values
  - Building and managing multi-stakeholder relationships
  - Enabling the enterprise with “new media” skills and tools
  - Building and managing trust

# The Evolution of the Public Relations Profession

	Yesterday: Public Relations (ca. 1945 - 1995)
<b>Mission</b>	Liaison of the enterprise
<b>Roles and Responsibilities</b>	Build and maintain relationships with the media; corporate journalism; internal events; speechwriting
<b>Audiences</b>	Media, employees, shareholders, general public

# The Evolution of the Public Relations Profession (cont.)

	Yesterday: Public Relations (ca. 1945 - 1995)
<b>Channels</b>	Print, broadcast, "house organs," events
<b>Content</b>	Content controlled by PR: external announcements (products, business actions, etc.); internal news, messaging and morale-building; executive speeches
<b>Measurement of Value</b>	Activity-based: e.g., volume and nature of press coverage, readership of employee publications
<b>Functional Disciplines</b>	Media relations, employee publications, speechwriting

# The Evolution of the Public Relations Profession (cont.)

	Yesterday: Public Relations (ca. 1945 - 1995)
<b>Skills</b>	Writing, design, managing the press, message management, event planning
<b>Talent Pool</b>	Former reporters, freelance writers, graphic designers, PR agencies
<b>Leadership</b>	VP of Public Relations: reports to Marketing, HR, COO or Public Affairs

# Page Mission Task Force

## Co-Chairs:

**Valerie Di Maria**, SVP and Group Marketing and Communications Director, Willis Group Holdings, Ltd.

**Jon Iwata**, SVP, Communications, IBM Corporation

## Team Members:

**Paul A. Argenti**, Professor of Corporate Communication, Tuck School of Business at Dartmouth

**Mark Bain**, President, upper 90 consulting

**Kristen M. Bihary**, President, Vyll Corporation

**Steve Cody**, Managing Partner, Peppercom Strategic Communications

**Peter D. Debreceeny**, former VP, Corporate Relations, Allstate Insurance Company

**David Demarest, Jr.**, VP, Public Affairs, Stanford University

**Stephen K. Dishart**, Managing Director, Corporate Communications, Americas, Swiss Re America Holding Corporation

**Steven Harris**, VP, Global Communications, General Motors Corporation

**George Jamison**, Consultant, Spencer Stuart

**Richard S. Marshall**, Senior Client Partner, Korn/Ferry International

**Frank Ovaitt**, President and CEO, Institute for Public Relations

**Mike Paul**, President & Senior Counselor, MGP & Associates Public Relations

**David A. Samson**, GM, Chevron Corporation

**Johanna Schneider**, Executive Director, External Relations, Business Roundtable

**Kirk Stewart**, EVP, Corporate Communications Practice, APCO Worldwide

**Peter W. Thonis**, Chief Communications Officer, Verizon

## Ex-officio

**Roger Bolton**, Senior Counselor, APCO Worldwide

**Tom Nicholson**, Executive Director, Arthur W. Page Society

**Paul Basista**, former Executive Director, Arthur W. Page Society

# Authentic In Action

# Fairfax

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## Working at Fairfax

Fairfax's values are to create, build and operate mastheads and brands that are market leaders. They encourage their staff to be partners in the business, believing in developing and rewarding people based on their efforts, achievements and performance against expectations.

Each division operates a Performance Management System and the salaries of all staff are reviewed on an annual basis.

Staff at Fairfax enjoy excellent working conditions, including employee assistance in EAP, study, transfer and relocation assistance, salary sacrifice laptop computers, employee share plans and superannuation.

Fairfax employees may also benefit from the Fairfax Foundation, a trust set up to provide benefits for former employees and their families.

Fairfax's people also enjoy discounts on some goods and services, both within Fairfax and/or through some of Fairfax's business partners, customers and suppliers. These include health funds, travel, child care, media subscriptions and other goods and services.

Michael Page  
INTERNATIONAL

Source: <http://www.michaelpage.com.au/minisite/Fairfax/work.html>  
Accessed: 2 September 2008

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## Welcome back to work!

**Monday, 01 September 2008**

Last Thursday you resolved to walk out together. Today, keeping your word, you came back to work together.

Congratulations on your solidarity and fortitude over the past four days – it was a mighty effort.

It was also particularly pleasing to see the depth and breadth of public support, from Australia and around the world, at this time.

Thank you to everyone.



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company quality journalism  
alliance organisations gillard  
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government agreement current  
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executives cutting strategy

**Do you believe  
quality journalism  
is under assault?**

Yes

No



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OCTOBER 23, 2008

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# TIME



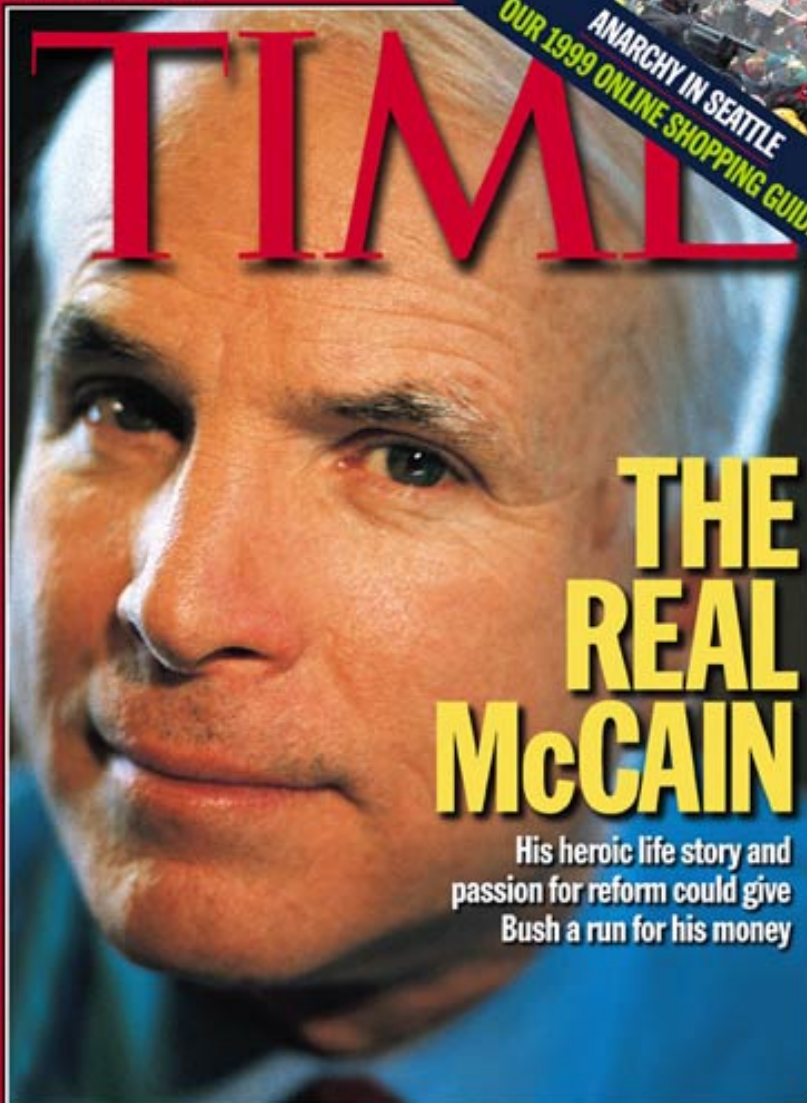
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# Personal Authenticity

we are – I am

# perception counsel

- strategic communicator
- c-suite advisor
- issues & crisis experience
- financial markets expert
- global experience
- digital immigrant



Arthur W. Page

ARTHUR W. PAGE SOCIETY

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