

**Corporate Communication: The Way Forward**  
**On the Occasion of CCI's 10<sup>th</sup> Anniversary**  
**Dr. Michael B. Goodman, Director**  
**CCI – Corporate Communication International**  
**Conference on Corporate Communication**  
**Wroxton, England**  
**6 June 2009**

**Welcome to CCI – Conference on Corporate Communication 2009**

This is the tenth year CCI has been providing information and knowledge on corporate communication to practicing professionals and scholars the world over. We began in 1999 with the simple premise that we would start CCI, confirm the need for research in corporate communication, and then find funding. I am happy to say that we have found sponsors and members to support our mission. That has been tough over the last nine months as we too have been affected by the global financial recession.

Many people have been with us from the beginning, and many are here tonight: Tina Genest; Nicholas Baldwin, Sandra Oliver, John Leipzig, Krishna Dhir, Roslyn Petelin, Daniel So, Wim J. L. Elving

Others have been equally important: Jack Bergen, Charlie Black Robin Cohn, Peter Debreceney, Bob Murphy, Bob Defillippo, Stu Goldstein, Marty Hirsch, Peter Hirsch, Brian Lewis, Dick Martin, Don Swanson, Lowell Weiner, Linn Weiss, Adam Yates, Ray Jordan, Jim Murphy, J. Michael Adams, Ken Greene, Stacey Connaughton, Finn Frandsen, Pat Scott.

And of course our Webmaster Dave Milley

And there have been hundreds of professionals, scholars, and graduate students who have presented at our conferences, executive briefings, symposia, and leaders forums since 1999. And my colleagues at my new home at Baruch College, Bob Myers, Jana O'Keefe Bazzoni, Caryn Medved, Eric Gander, Brian Householder, William Boddy, Alison Griffiths, Rick Wilkins, Elisabeth Garis, and Rebecca Merkin, Dean Jeffrey Peck, and Terry Martell, and Kathleen Waldron.

So what was it like in 1999?

**In January** --The Euro currency is introduced; former professional wrestler Jesse Ventura is sworn in as governor of Minnesota; President Bill Clinton begins his impeachment trial in the Senate; basketball player Michael Jordan announces his retirement only to return in 2001; the China News Service announces new government restrictions on Internet use aimed especially at Internet cafés.

**In February** - President Bill Clinton is acquitted by the United States Senate in his impeachment trial.

**March** -- Infosys becomes the first Indian company listed on the NASDAQ stock

exchange; a jury in Michigan finds Dr. Jack Kevorkian guilty of second-degree murder for administering a lethal injection to a terminally ill man.

**April** - Two Libyans suspected of bringing down Pan Am flight 103 in 1988 are handed over for eventual trial in the Netherlands; The World Trade Organization rules in favor of the United States in its long-running trade dispute with the European Union over bananas; Columbine High School massacre: Eric Harris and Dylan Klebold kill 13 people and injure 24 others before committing suicide at Columbine High School located in Jefferson County, Colorado.

**May** -- The Dow Jones Industrial Average closes above 11,000 for the first time in its history at 11,014.70; the International Criminal Tribunal for the former Yugoslavia in The Hague, Netherlands indicts Slobodan Milošević and four others for war crimes and crimes against humanity committed in Kosovo.

**July** - John F. Kennedy Jr., his wife Carolyn Bessette Kennedy, and sister-in-law Lauren Bessette are killed in a plane crash off the coast of Martha's Vineyard; Falun Gong is banned in the People's Republic of China, and a large scale crackdown of the practice is launched.

**August** - A 7.4-magnitude earthquake strikes İzmit, Turkey, killing more than 17,000 and injuring 44,000.

**November** - The People's Republic of China launches its first Shenzhou spacecraft; in Seattle, Washington, United States, protests against the WTO meeting by anti-globalization protesters force the cancellation of opening ceremonies.

**December** - Portugal returns Macau to China; control of Panama Canal reverts to Panama; Boris Yeltsin resigns as President of Russia, leaving Prime Minister Vladimir Putin as the acting President.

And, oh yes, we thought the world would end at midnight 31 December 1999 because of the Y2K computer scare. It didn't

### **The Way Forward -- Corporate Communication and Strategic Adaptation**

(Note: The discussion below is adapted from the manuscript by Goodman and Hirsch, *Corporate Communication: Strategic Adaptation for Global Practice*. Copyright Goodman and Hirsch 2009)

The financial crisis of 2008 – a result of “predictable irrationality” according to behavioral economist Dan Ariely, and of “Animal Spirits” according to Nobel Laureate George Akerlof -- forced a transformation in fundamental business models, beginning with the disappearance of an entire industry sector, investment banking, the utter transformation of the auto industry, and the uncertain future the media business faces, as The Tribune Company filed for bankruptcy at the end of 2008.

If that were not challenge enough, corporations and organizations have been facing other challenges for several years. Skepticism and distrust of corporations (and all large institutions for that matter – government, the church, and organized baseball) continues to be very high among the general public and the media.

In an environment where people trust corporations less, the power of NGOs to influence change has increased dramatically.

Media democratization as a result of Web 2.0 (now being called Web 3.0) will soon be even more transparent with the new SEC (Securities Exchange Commission) requirement for XBRL (eXtensible Business Reporting Language) in financial reporting which will allow electronic searches of data similar to that of text. And a reinvented media landscape – greater access to the creation information, fewer traditional outlets – poses more challenges and opportunities.

Digital technologies and the way people work have altered the building of relationships within corporations and with their external constituents.

Talent no longer owes loyalty to any corporation. This is particularly evident in the Millennial Generation, according to Ron Alsup's *The Trophy Kids Grow Up*. However, the global recession of 2008 – 2009 promises to blunt their apparent sense of entitlement.

The economic disparity between the haves and the have-nots will create an unstable civil society.

Finally, there are new issues created by global growth, such as scarce resources – from food to potable drinking water. And global growth has elevated expectations in China, Brazil, India, Russia and the Next 11 – Bangladesh, Egypt, Indonesia, Iran, Mexico, Nigeria, Pakistan, The Philippines, South Korea, Turkey, and Vietnam. Multinational Corporations are buffeted by the forces of CSR (Corporate Social Responsibility), and ESG (Environment Society Governance). The uproar over CEO pay and use of corporate jets exemplifies the discontent.

The financial turmoil has rekindled the issues of politics and regulation as a result of more government "ownership" of banks, insurance companies, and automobile manufacturers, which will necessitate more collaboration among government, corporations, and labor.

Cultural and social acceptance of ideas and behavior such as diversity in the workplace, as well as an acceptance, with the rise of China, that democracy and commerce don't necessarily require one another for success.

Success also depends on new thinking for sustainability fueled by business innovation, research and development, and the use of technology — local is local and global; and access to food, clean water and breathable air are enormous challenges and opportunities.

There is an urgency to rebuild trust in business by management and staff through leadership initiatives and strategic action.

The demand for quality remains ubiquitous -- "Better, Faster, Cheaper" products and services.

And globalization may no longer be sustainable. For example, does it make sense to catch salmon in Alaska, ship it to China for filleting, and then ship it to stores and restaurants in New York. In the spring of 2008 when fuel prices spiked above \$4.00 a gallon in the US, strawberry farmers in California bought land in New England to short circuit transportation costs to their East coast markets.

How *do* corporations meet the challenge? How *should* they behave? What *should* corporations do? *What is the way forward?*

The capabilities needed for the future, according to our CCI research, indicate that corporate communication professionals must rely on their judgment, wisdom, understanding, and integrity. Success is tied to *how* your company acts on a minute to minute basis with everyone, everywhere, and at all times.

It is HOW you – individually and collectively – behave. It is HOW you act on a minute to minute basis with everyone, everywhere, and at all times.

Not much is secret – President Obama’s struggle to quit smoking, his 27-year old speechwriter Jon Favreau’s unguarded Facebook photo with a cardboard cutout of then Senator and now Secretary of State Hillary Clinton.

Here are some *adaptive behaviors* to nourish, develop, and aspire to:

- integrity and honesty;
- global mindset;
- objective perspective;
- business orientation; project management;
- critical and analytical thinking; problem-solving; synthesizing;
- communication and media skills; listening; persuasion;
- “grace under pressure” – confidence, composure, compassion
- resilience; positive attitude;
- energy, discipline, passion;
- leadership; team player;
- intelligent; innovative; creative;
- social-ability; emotional intelligence;
- mentoring and coaching; quick study;
- strategic thinking

And it is also how you perform the functions of corporate communication (See Figure 1.2).

<b>Functional Area</b>	<b>Percent Responsible</b>
<b>Media Relations*</b>	<b>98.4%*</b>
<b>Public Relations*</b>	<b>96.8%*</b>
<b>Executive Communication*</b>	<b>96.8%*</b>

<b>Communication Strategy*</b>	<b>96.3%*</b>
<b>Internal Communication*</b>	<b>91.9%*</b>
<b>Crisis Communication*</b>	<b>90.3%*</b>
<b>Communication Policy*</b>	<b>90.3%*</b>
Reputation Management	83.9%
Annual Report	80.6%
Intranet Communication	79.0%
Internet Communication	75.8%
Corporate Identity	67.7%
Issues Management	66.1%
Community Relations	58.1%
Brand Strategy	53.2%
Corporate Citizenship	48.4%
Marketing Communications	45.2%
Mission Statement	43.5%
Advertising	40.0%
Corporate Culture	38.7%
Investor Relations	21.0%
Government Relations	19.4%
Ethics	8.1%
Technical Communication	6.5%
Labor Relations	4.8%
Training & Development	4.8%

**Note: \*Almost ubiquitous**  
2007

*Source: CCI Studies*

### **Figure 1.2 Strategic Functional Areas Managed by Corporate Communication**

Finally, some personal and corporate goals to guide your strategic adaptation:

- A tenacious pursuit of intellectual competence in the field
- Constant and consistent demonstration of ethical understanding and awareness
- Professional expertise and familiarity with research tools and techniques
- Creative strategic integration of knowledge to “connect the dots,” to see the patterns that others do not
- Nurturing leadership capabilities – a leader is someone who will take you to a place you would not go by yourself
- Cultivate media and technology literacy and expertise
- Be global through strategic intercultural and global communication
- Be a problem-solver through strategic decision-making, every minute and on every task
- Attain advocacy competence because you will be the best advocate for your company

And remember – “how” you act; the “authenticity” of your organization;” and how strategic is your “adaptation” to the changing business and media environments.