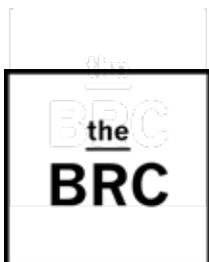




# BUILDING A CULTURE OF PURPOSE

*Corporate communication in an age of radical uncertainty*

November 2018



the Brand & Reputation Collective



In collaboration with the  
European Association of Communication Directors

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## Forward

Radical uncertainty has affected all levels of society, creating new forces and centers of influence that we are still trying to understand and adapt to. Senior communication professionals describe a new reality where traditional systems and approaches are inadequate. Meeting increased expectations and building deeper relationships with our audiences goes beyond the traditional communication function to involve the entire organization.

A core principle in our post-truth social media driven world is "you are only two clicks away from uncovering a lie". When everyone and everything communicates, there can be no disconnect between words and deeds. Radical uncertainty requires a new default of radical transparency and a culture of purpose.

This report includes many quotes from the people who contributed their time because we wanted to ensure that their voices were front and center in making the case for how best to communicate today.

I would like to thank them and the EACD for their support in making this project a reality.

*Phil Riggins*  
*founder and CEO, the BRC*



## Introduction

So much change is happening so quickly today, many people are having trouble keeping up. The economic crisis, technological change, social media, immigration issues, the rise of populism, Brexit, and the presidency of Donald Trump in the US, to name a few. Some people have used the terms "radical uncertainty" or VUCA (volatile, uncertain, complex and ambiguous) to describe the time we are going through.

But what does radical uncertainty mean to communication professionals? How has it affected stakeholder and consumer expectations? And what are companies doing to meet the challenge?

**In order to answer these and other questions the Brand and Reputation Collective (the BRC), in collaboration with the EACD, conducted a unique research project that was mainly qualitative in nature.**

The research had three phases: 10 in-depth interviews with senior communicators at some of the largest organizations in the world; two round table discussions at the EACD's annual Communication Summit in Berlin in June 2018; and a survey of 118 senior in-house communicators across a variety of organizations (corporations, government bodies, NGOs and associations) and sectors in May – August 2018. The questionnaire for the survey was predominantly open

ended questions to allow respondents to explore the issue in depth (Survey demographic details are included in the appendix.)

The result is a deep and rich understanding of how radical uncertainty has changed the communication landscape.

The results suggest that radical uncertainty has unleashed powerful forces and audience expectations that carry more risks than opportunities for organizations if not addressed. Because of the nature of social media, consumers and stakeholders have morphed into Consumers in Chief who want a role in creating – or destroying - brands, reputations, products and policies of the companies they interact with.

**The price of consumers' and stakeholders' support in an age of low trust and high uncertainty is purpose with proof, radical transparency and a seat at the table.**

Most communicators we spoke to understand the challenge – and many of their organizations are embracing aspects of the solution. However, not all. Those that do not adopt a culture of purpose (that includes and advocates for their key audiences as they develop and deliver products and services) risk irrelevance and possible rejection from the audiences they depend on for their survival.

# Key findings

Communication professionals think radical uncertainty presents many risks and few obvious opportunities for organizations. They define it as a time of great uncertainty, where trust in established values and institutions is low, and everything must be rethought.

The main driver of radical uncertainty is technological change, where the internet and online communication has overwhelmed people with information and empowered them to influence conversations (and brands) instantly.

Communication professionals believe that stakeholders' and consumers' expectations have changed in the past few years. Today they want "purpose with proof" - concrete evidence that organizations are living up to their promises.

Respondents describe a new communication reality where it is harder to get consumers and stakeholders attention and support than in the past few years.

Radical uncertainty has led companies to take a more reactive, crisis approach to communication.

Given people's level of cynicism and the fact that everyone in an organization is a potential communicator, respondents think that new ways of communicating and engaging are needed. They say that the best way to be credible, relevant and compelling in today's communication environment is to have clear values that the organization lives by - and content that expresses them in a human and relevant way.

Companies are increasingly asked to take positions on social issues and wrestle with where to draw the line on corporate activism. Communicators say their organizations are most likely to voice positions on diversity and inclusion, gender equality and climate change. They are less likely to voice a position on the #metoo movement, immigration and LGBTQ issues.

Communicators say that in order to build trust and support with stakeholders and consumers, they are or plan to be listening more, ensuring their words and deeds are consistent, and speaking in a more human way.

When asked about the importance of several activities to building trust and support with consumers and stakeholders, communicators are most likely to say transparency (80%), relevant content (64%), strong culture (57%), meeting expectations (64%), and alignment between words and deeds (68%) are "very important".

The number one thing communicators want from leadership to deal with the new communication realities is more budget/resources (38%). Nearly as many say they would like their leaders to *lead* - to provide a clear strategy, vision, values and purpose (29%).

# THE WORLD HAS CHANGED

*Today, you have to have a strong sense of who you are as a company. Then you can be vulnerable. Everything can change around me, but I won't change. My character, my values stay the same. Radical uncertainty requires an understanding of who you are, your culture and purpose – and radical transparency.*

Hans Koeleman, Chief Corporate Communications and CSR at KPN, and President of the EACD on how to approach radical uncertainty



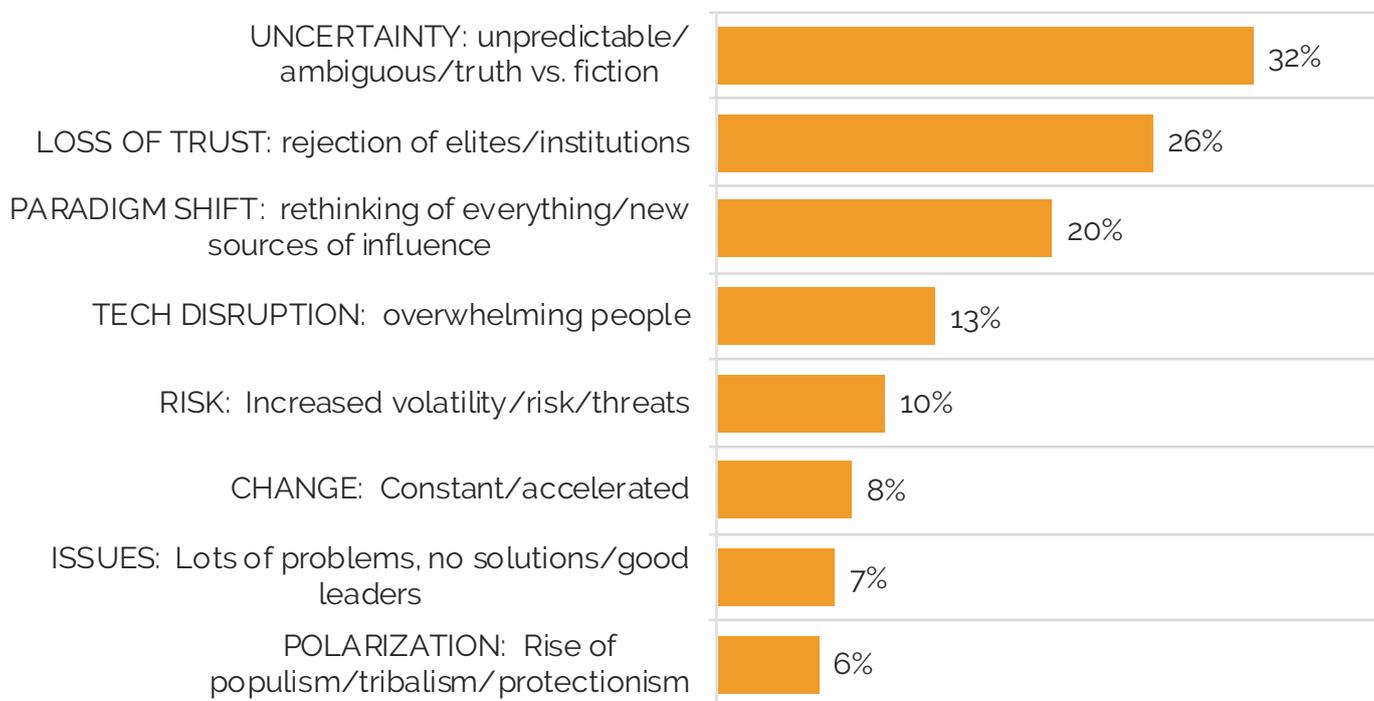
# Radical uncertainty presents more risks than opportunities for everyone

Communication professionals define "radical uncertainty" as a time of great uncertainty, where trust in established values and institutions is low, and everything must be questioned and rethought.

Communicators say that technological change has both empowered and overwhelmed people. The changes they are witnessing bring risks and problems for which there seem to be inadequate solutions and leadership. Complicating things, people are more polarized, coalescing into competing tribes that create even more pressure on the system.

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**Q: How do you define "radical uncertainty" / the time we are going through?**  
(volunteered)



(n=94) (percentages total more than 100% as multiple responses were allowed)

# We are in “uncharted waters without a compass” or good leadership

*The established, long-standing truths have disappeared. Every situation can lead to new, unexpected consequences - in life, business, and most notably in politics. The volatility is radical. The uncertainty is frightening as it coincides with a loss of solution competence for the established authorities.*

Listed Company, Germany

*Looking at it from a society point of view, I believe that everything that was deemed certain in life seems to be at risk. Radical uncertainty means to me fast change on multiple levels with a high level of uncertainty. Some will see this as a serious threat, some will embrace the change and turn it into chances.*

Private Company, Switzerland

*It's a time when nothing can be taken for granted and you need to re-think everything. Even democracy isn't for granted anymore, for the first time since the second World War. You have to plan your journey without a compass while traveling uncharted waters.*

Listed Company, Italy

*With hindsight it was premature to think we had reached the end of history.*

Trade Association, UK



# Radical uncertainty is fueled by technological change

*There has always been uncertainty, but the expression now is a contemporary one. Change has always been with us but the lack of trust in institutions is new. The veil of institutional belief has been ripped off with so much internet exposure, which is a recent phenomenon.*

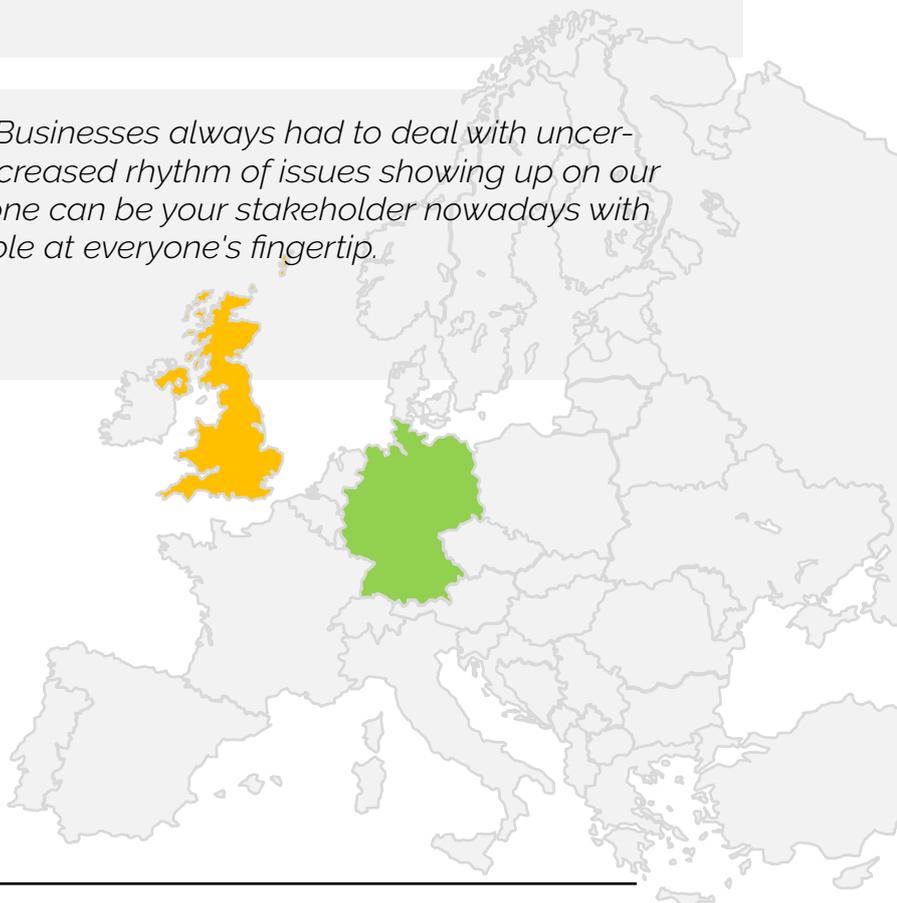
Listed Company, UK

*Structures and habits/routines no longer apply - people are overwhelmed by new technological developments that increase the speed of communications, productions and processes and challenge them at work while at the same time external factors (such as immigration and new global political threats) make them feel vulnerable and at risk regarding their belongings and beliefs. The two developments lead to fear and protective behaviour- a radical uncertainty where to turn to for help or solutions.*

Listed Company, Germany

*Uncertainty isn't a new concept. Businesses always had to deal with uncertainty. 'Newer' seems to be the increased rhythm of issues showing up on our agenda, their amplification. Anyone can be your stakeholder nowadays with technology/social media available at everyone's fingertip.*

Consultant, UK





92%

Think consumers' and stakeholders' expectations have changed over the past few years

(n=118)

# The biggest change in expectations?

## People want companies to have a purpose and provide proof it is being delivered

Communication professionals think that consumer and stakeholder expectations have become more exacting in the past few years. Consumers and stakeholders today want to see purpose with proof. They expect greater transparency and openness. They also want organizations to respond to their issues and concerns nearly instantly, and are less forgiving of mistakes.

They want to see leadership, reassurance and authenticity when it comes to addressing wider social issues. They are less likely to trust and want a greater role in developing everything from products to policies to purpose.

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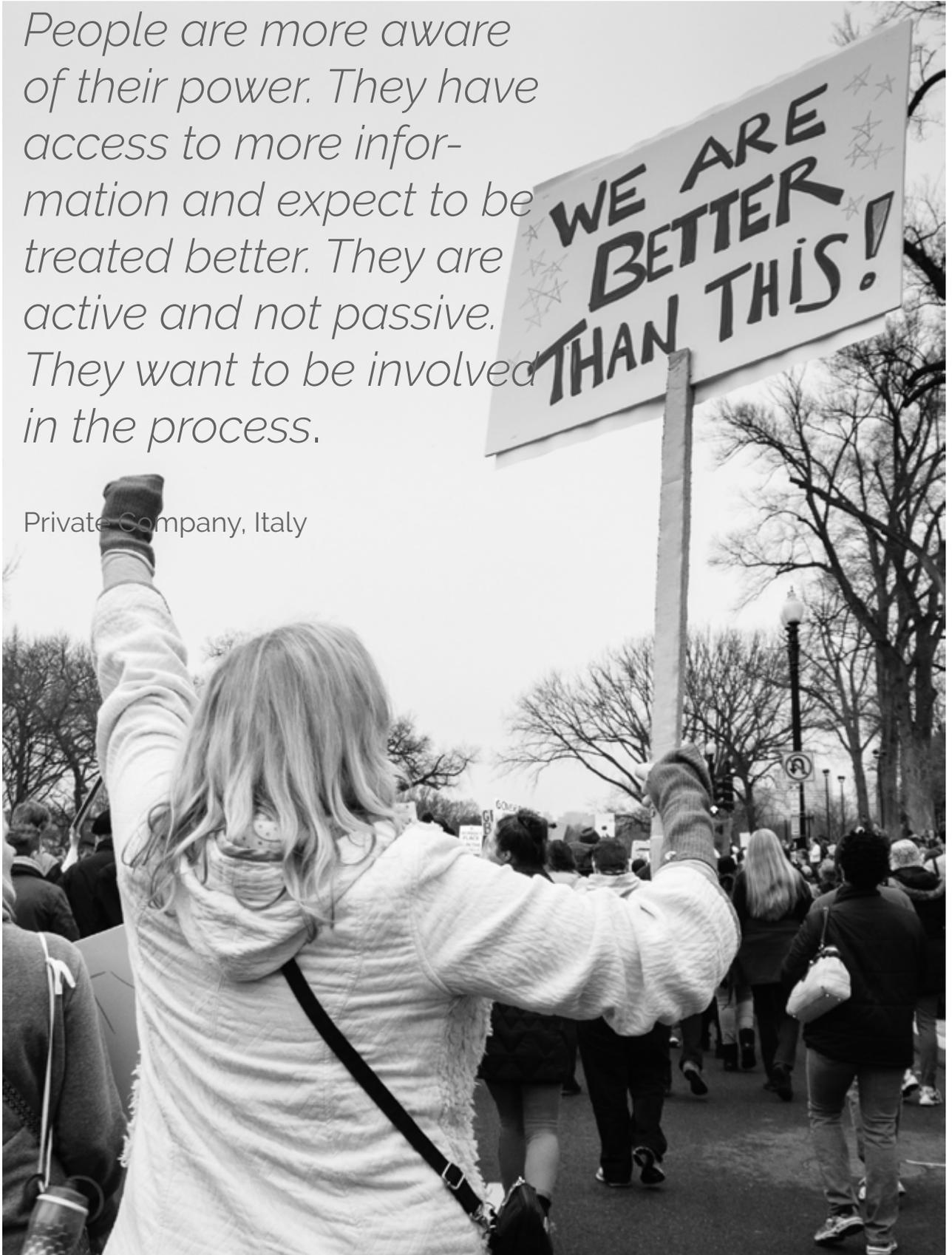
### Q: In what ways do you think consumers' and stakeholders' expectations have changed over the past few years? (volunteered)



(n=103) (percentages total more than 100% as multiple responses were allowed)

*People are more aware of their power. They have access to more information and expect to be treated better. They are active and not passive. They want to be involved in the process.*

Private Company, Italy



# Consumers and stakeholders demand more than ever – or else

*Our expectations are set by our best experiences. How we interact with say Apple and Amazon is what we expect from every organisation. They have reset our expectations.*

Private Company, UK

*Consumers and stakeholders today demand more than ever transparency and purpose. They want to know the motivations behind what you do, the products you make. It is a "green fee" for acceptance and salience. Loyalty is harder to come by and really can only be sustainably obtained when the company embraces the motivations of their consumers.*

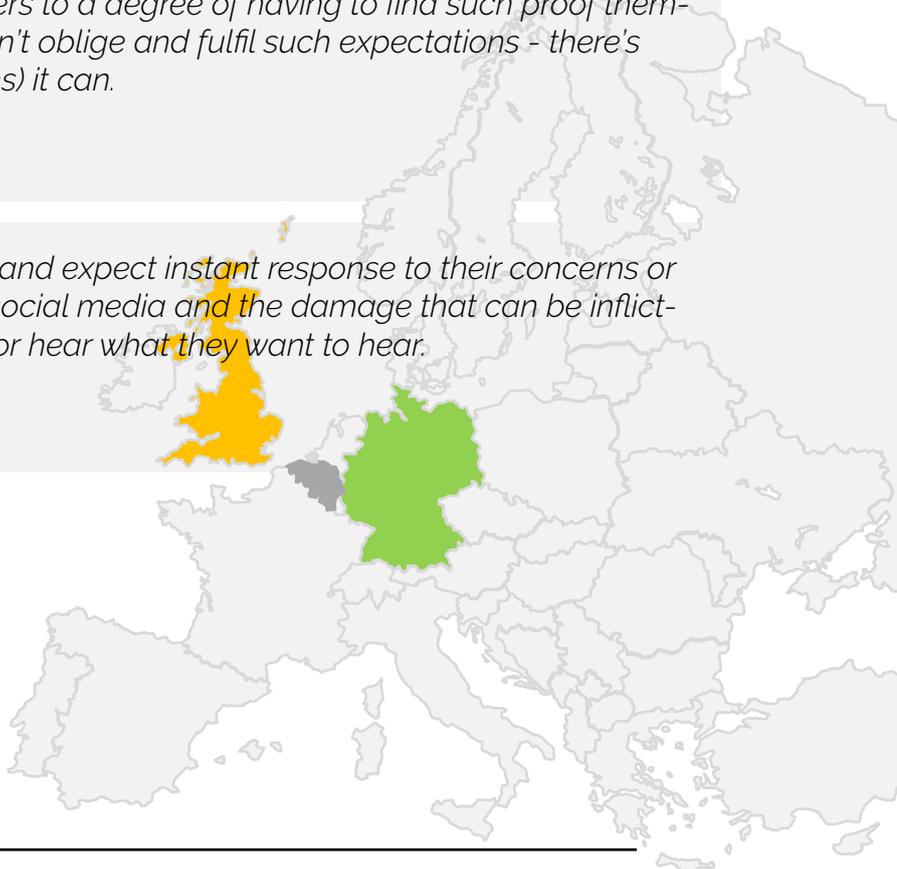
Private Company, Belgium

*Consumers/customers expect companies to act socially responsible - and provide proof that they are not just "green washing" but that their ethical claims can be trusted. It absolves consumers/customers to a degree of having to find such proof themselves - and where corporations can't oblige and fulfil such expectations - there's most likely a competitor who (claims) it can.*

Listed Company, Germany

*People have become more cynical and expect instant response to their concerns or enquiries. They know the power of social media and the damage that can be inflicted if they don't get what they want or hear what they want to hear.*

Listed Company, UK



# Transparency, leading change, walking the talk, and immediate response to any issues are the new normal

*Consumers today expect much more of the company behind the brand. They're just as likely to be interested in whether a company is paying its fair share of tax, overpaying its senior executives, treating its female employees with respect or doing something about plastic, as they are in the quality, value and convenience of the product or service offered. Companies are expected to be leading change rather than waiting for regulators to impose it.*

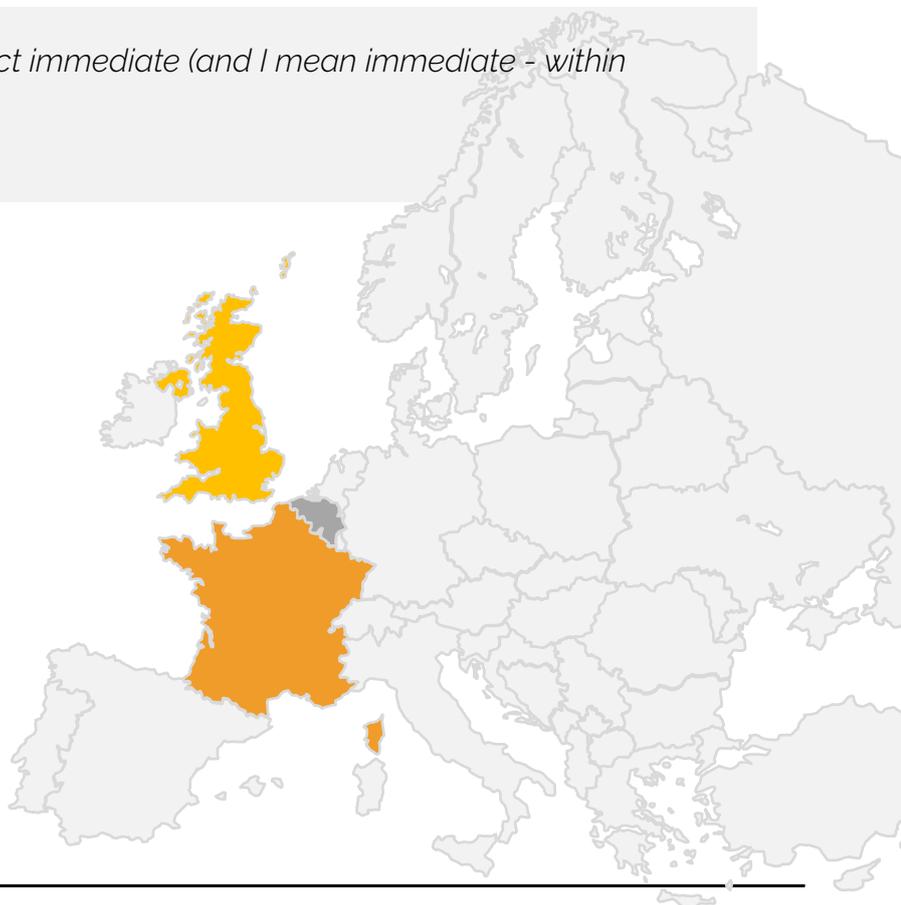
Listed Company, UK

*More accountability. More honesty. More transparency. More living up to the standards that you preach or stand for. More congruence between what you preach and what you actually do.*

Foundation, Belgium

*Stakeholders/communities expect immediate (and I mean immediate - within 15 minutes) response.*

Private Company, France



# IMPACT ON COMMUNICATORS



# Communicators feel the pressure of their audiences' increased expectations

71%

say radical uncertainty has had a great deal (27%) or some (44%) impact on their team

Those in the UK (82%) are more likely than those in Italy (58%) or Benelux (50%) to say radical uncertainty is having a great deal or some impact on their and their team's work. (n=118)



67%

Think getting the **attention** of consumers and stakeholders has got harder

57%

Think getting their **support** has got harder

*You have to be prepared to not be in control. You have to train your team, put in place early warning systems. You have to be more proactive, open and transparent. People want to get the whole picture.*

Miguel Veiga-Pestana, SVP Global Corporate Affairs and Sustainability for RB

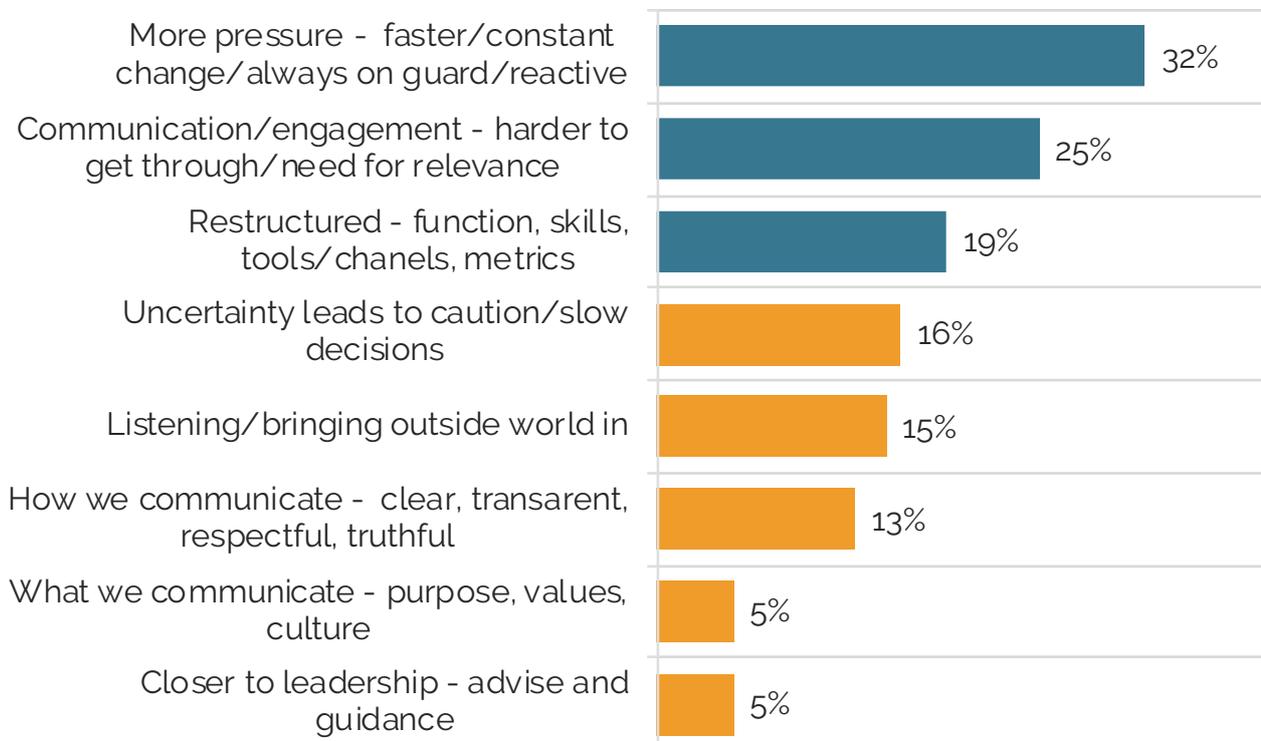
# Radical uncertainty has led to a reactive, “always on” approach to communication

Changed expectations have made it harder to connect, build trust and deliver a message. In response, companies are restructuring and retooling their communication function.

Uncertainty is slowing down decision making for a number of organizations. Others are focusing on reputation more and bringing in the outside world to listen and learn.

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**Q: In what ways has radical uncertainty impacted you and your team's work? (volunteered)**



(n=99) (percentages total more than 100% as multiple responses were allowed)

*How do you communicate and reach people today? It's very hard. The old days were simpler – very structured. Now people carry their personal lives in their pockets. We are competing for their attention all the time.*

Pierre Goad, Group Head of Communications and Group Managing Director of HSBC Holdings plc on the new communication reality



# Companies are disoriented by the increased pressure; some struggle to adapt

*It changed the way we advocate on behalf of our members, messages we highlight, basic principles we go back to... Trustworthiness of many industry players has become questioned, their business models and strategies came under strong scrutiny...debates now focus on transparency, clarity, trust, respect when it comes to consumers, citizens. This means, many policy related dossiers are linked to these issues as well.*

Industry Association, Belgium

*We work more in a day-to-day mode, sometimes in a permanent crisis mode. That means more and faster decisions, more responsibility for the individual. At the same time, my current organisation does not understand the impact of changes on our business, therefore we do not really live up to the new reality as of yet.*

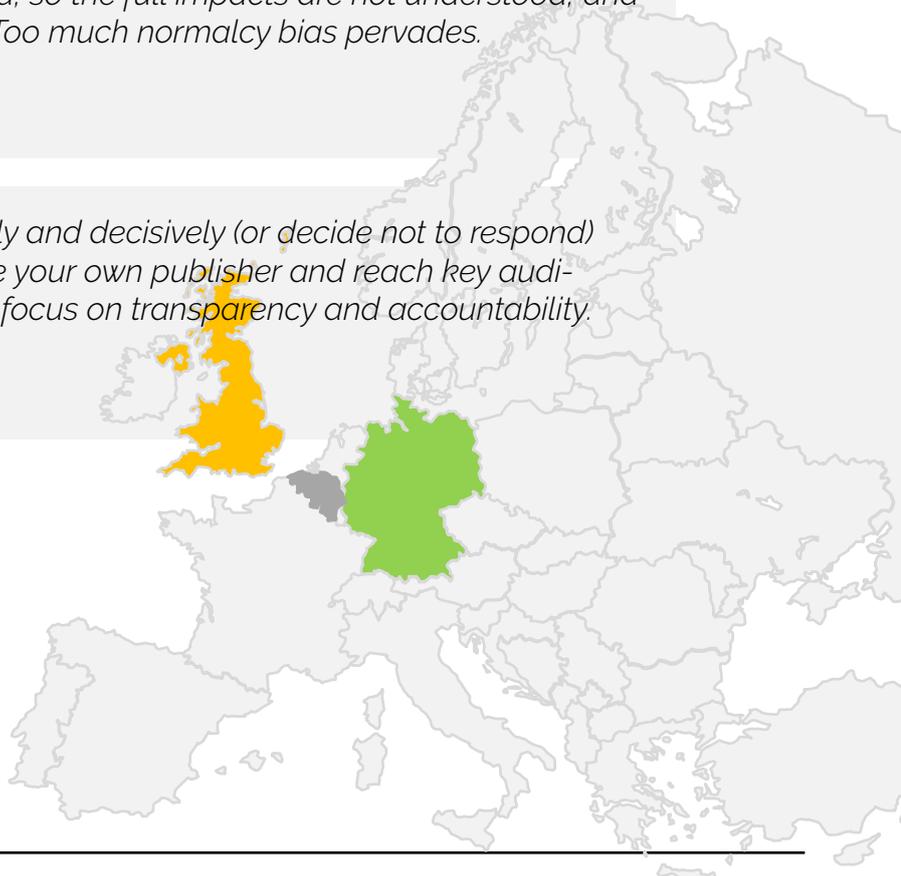
Private Company, Germany

*We have to work more quickly, try to understand trends coming down the track and perform in a more agile way to anticipate them. But on the whole the institution is somewhat traditional and stultified, so the full impacts are not understood, and threats and opportunities missed. Too much normalcy bias pervades.*

Private Company, UK

*Increased pressure to respond swiftly and decisively (or decide not to respond) to scrutiny and criticism. Ability to be your own publisher and reach key audiences without mediation. Increased focus on transparency and accountability.*

Non-Profit/NGO, UK



# New ways of communicating and engaging are required - and everyone is a potential communicator

*Right now, our communications department is a mess. Nobody is sure what works or how to structure the department to meet rapidly changing communication, business and political landscapes. The work culture is borderline toxic -- one re-org after another. People trying to seize power, others just trying to protect their jobs from yet another re-arrangement of the comms deck chairs. It's not a pretty picture.*

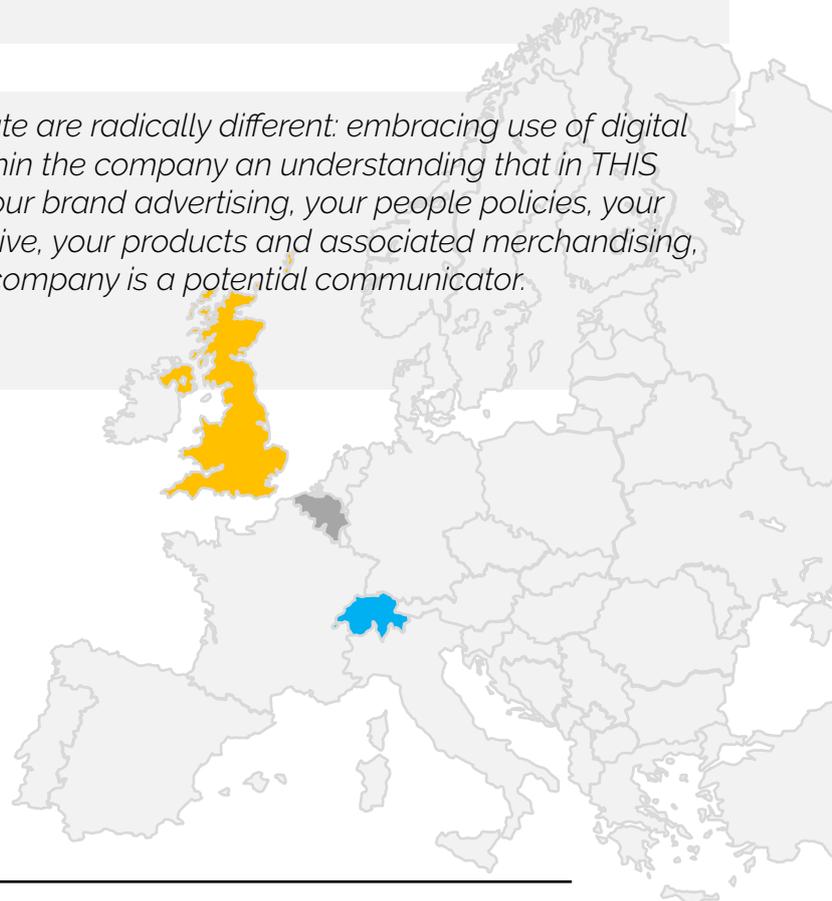
Listed Company, Switzerland

*It has made our role, seeking to improve and support the reputation of a large FTSE, more challenging. Cynicism about the motives of a large corporate make it harder to communicate the value we provide to society. Trusted sources of information are also changing. We are moving quickly towards digital and social, but the profusion of networks and channels makes it harder to get a clear message across.*

Listed Company, UK

*The capabilities required to communicate are radically different: embracing use of digital communications. Also need to drive within the company an understanding that in THIS world 'everything communicates' (e.g. your brand advertising, your people policies, your hiring techniques, your corporate narrative, your products and associated merchandising, your offices etc) and EVERYONE in the company is a potential communicator.*

Private Company, Belgium





# ADAPTING TO THE CHANGE

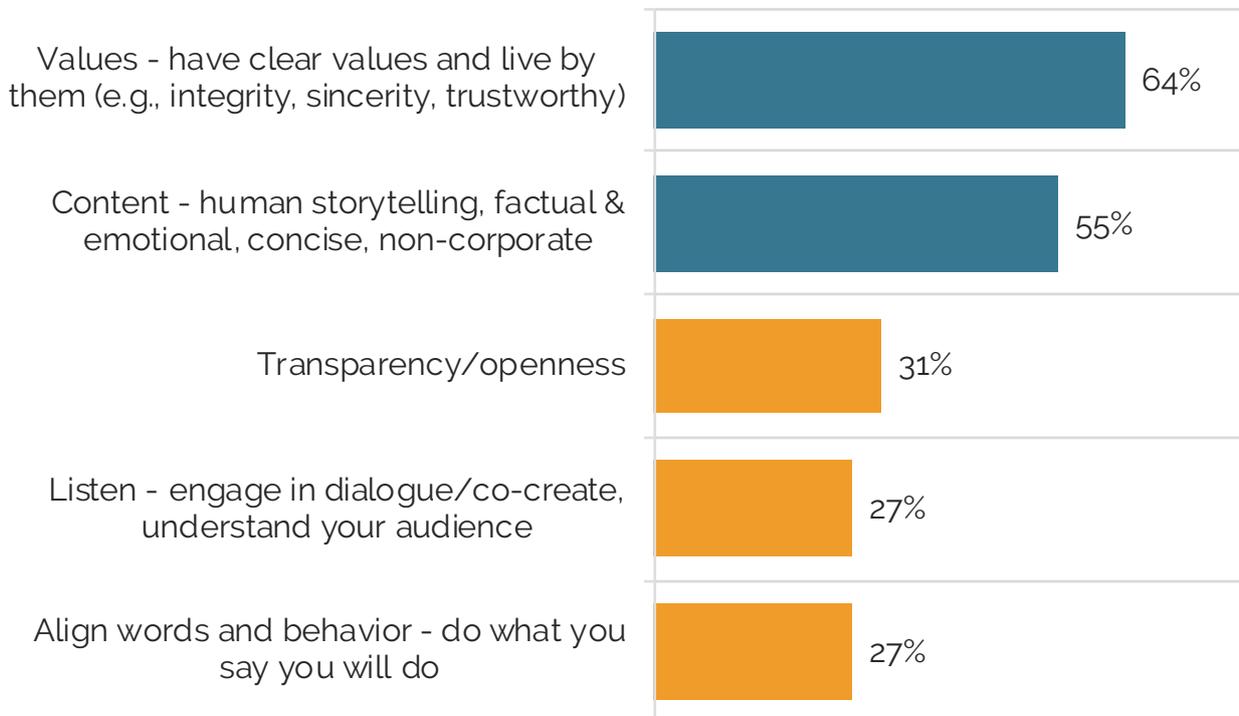
# Staying relevant and compelling requires purpose with proof – and human content

Communicators think that the best ways to be credible, relevant and compelling with consumers and stakeholders today is to have clear values and demonstrate that you are living them (64%) and content that is human and emotional, as well as factual (55%).

They also believe that transparency and openness (31%), deep listening and engagement (27%) and aligning words and deeds (27%) are important to gaining the support of their audiences.

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**Q: What are the best ways to be credible, relevant and compelling with consumers and stakeholders in today's communication environment? (volunteered)**



(n=111) (percentages total more than 100% as multiple responses were allowed)

# Transparency, authenticity, and alignment between words and deeds are vital for credibility, relevance and support

*It's about building a long-term brand, having a strong company culture and truly live your company's values. You need to build the trust and maintain it. It is also important to be consistent with your communications through different channels. Your employees need to be true ambassadors of your company and products. Therefore, it is even more important that you take good care of all your employees throughout their careers.*

Listed Company, Switzerland

*I think it is important to be consistent with your story and drive the company values. You cannot try to be something you are not. Your website, social media communications and other communications needs to be in line in what your leaders and employees do. It all needs to be led inside out, and you can only be what your weakest link is. The general public likes real stories and you can share them, but they need to be genuine.*

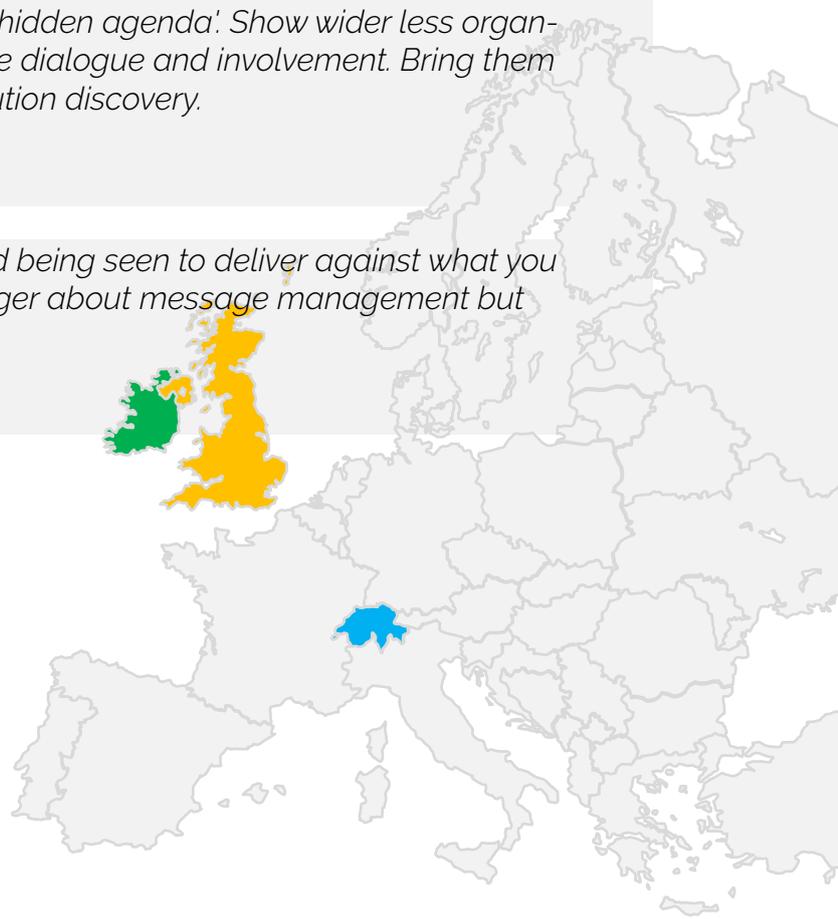
Private Company, Switzerland

*Open engagement. 'nothing to hide', no 'hidden agenda'. Show wider less organizational-centric benefits. Do good. Active dialogue and involvement. Bring them with you and make them part of the solution discovery.*

Consultant, Ireland

*By having a strong sense of purpose and being seen to deliver against what you promise you will do. The game is no longer about message management but genuine authenticity.*

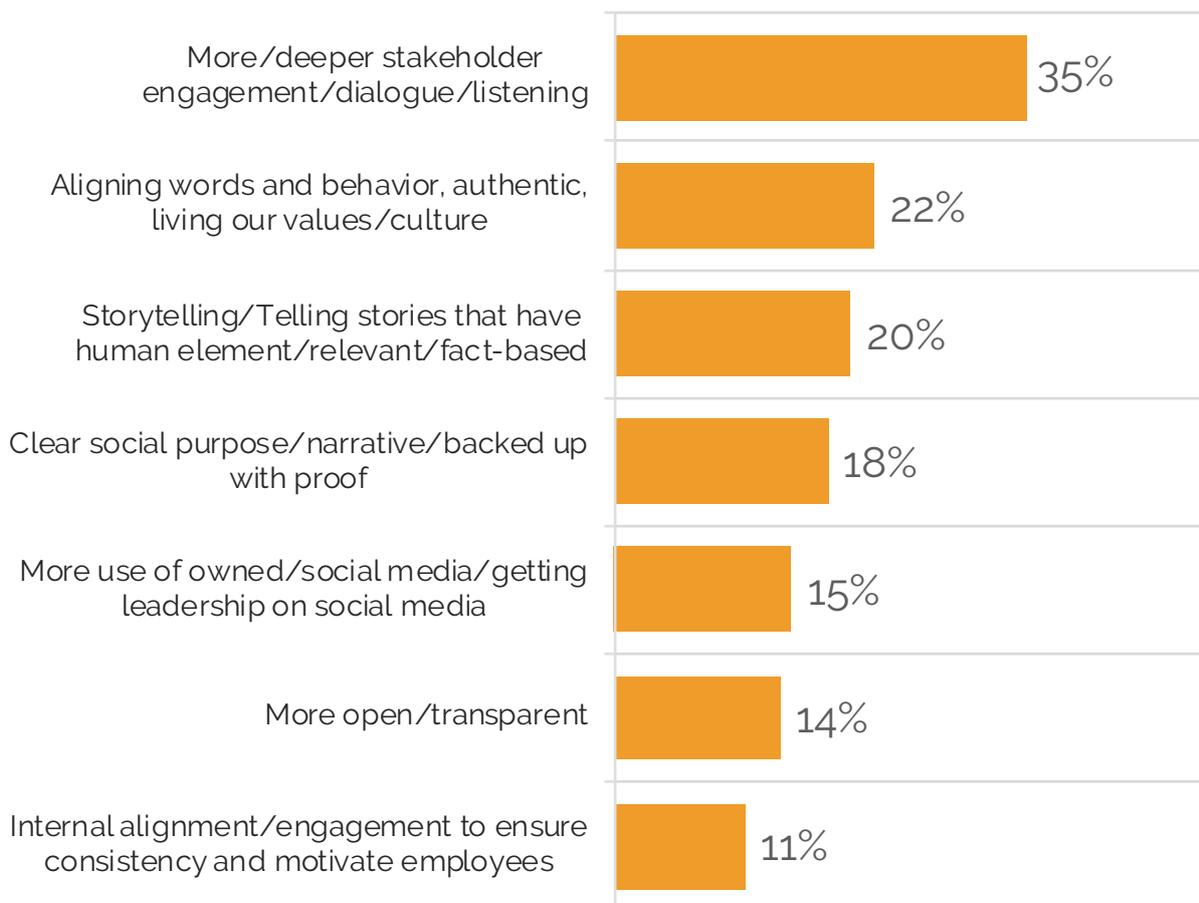
Trade Association, UK



# Organizations are listening more, aligning words and deeds, and speaking in a more human way to connect

When asked to say what their organization is doing to build trust and support, communicators are most likely to say things related to increased engagement and dialogue, greater alignment, richer storytelling, and a having a clear social purpose narrative.

**Q: What is your organization doing to build trust and support among your audiences in the current communication environment? (volunteered)**



(n=93) (percentages total more than 100% as multiple responses were allowed)

# Everything communicates, so everyone has to do their part. Some companies have yet to “get a grip” on the new realities

*Being very transparent and giving access to the highest management levels (Twitter, etc.) while doing what we said to keep promises but also explaining what is not possible and why (e.g. NGOs).*

Listed Company, Germany

*We have developed a new content strategy to produce content that can help us to better tell our story and defend our reputation. We work much more with local communities, we are creating different communications tools to keep the dialogue open. We are interacting with social communities of different stakeholders that are meaningful to us. We try to be part of the global discussion on topics related to our industry.*

Listed Company, Italy

*The main investment now is internally to make sure that every single employee knows what values we stand for, the ideas we push for and why. This way we ensure there's always the same message no matter who you meet from our organization.*

Industry Association/Trade Body, Belgium

*Do you want me to answer this honestly?! In theory, more internal resource dedicated to internal communications professionals and management structures within comms and marketing teams. In reality, I don't think we have a grip on it yet in terms of how best to do this.*

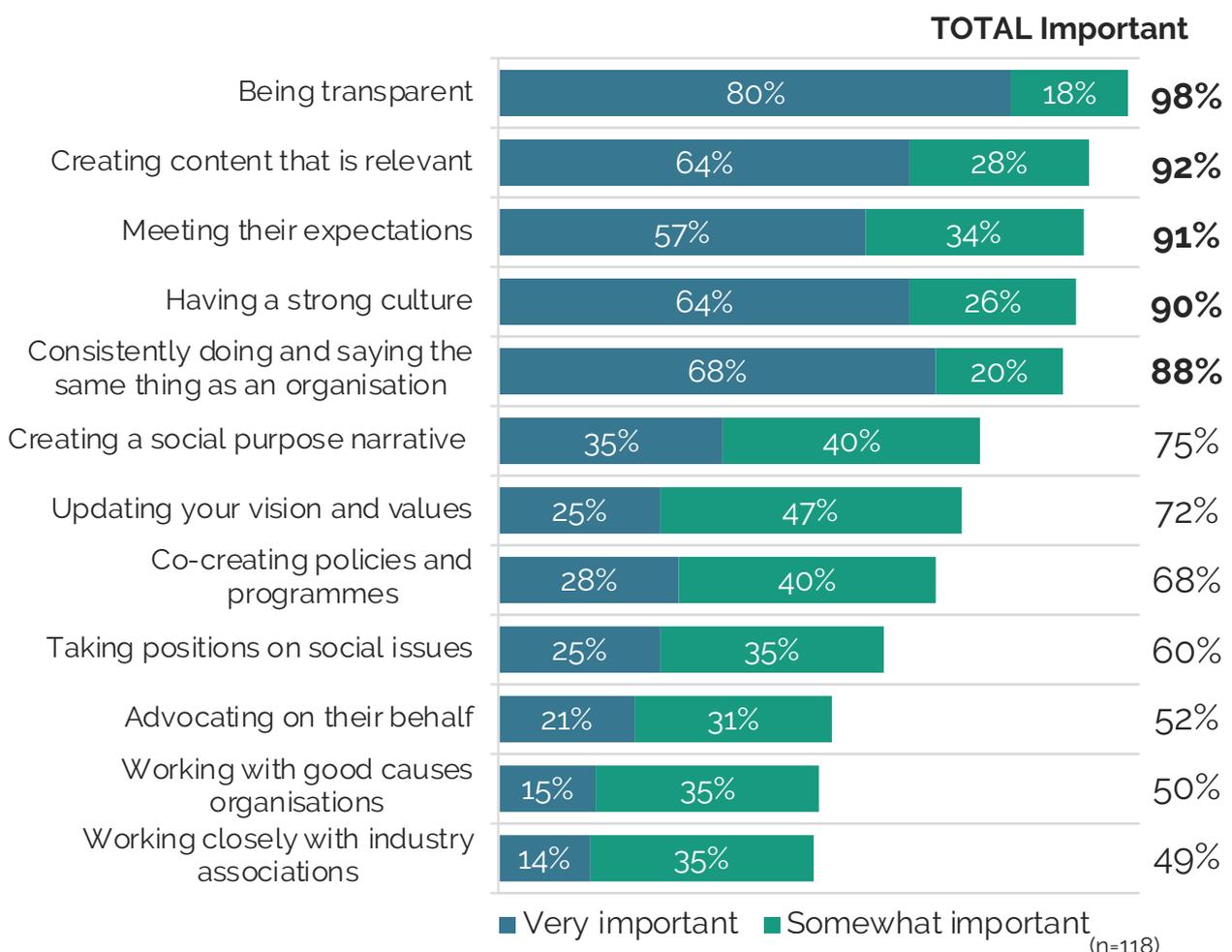
Listed Company, UK



# Transparency tops the list of building blocks for trust and support

When asked to rate the importance of several activities to building trust and support, half or more say transparency (80%), alignment between words and deeds (68%), relevant content (64%), strong culture (64%), and meeting expectations (57%) are "very important".

**Q: How important do you think each of the following are to building trust in and support for your organization's strategy and purpose amongst your key audiences?**



*Purpose as marketing rather than authentic outreach - purpose for purpose sake - is not credible. It needs to be linked to the business. In terms of corporate activism, you need to have a strong point of view on where you stand. If not, you get pulled in all kinds of directions.*

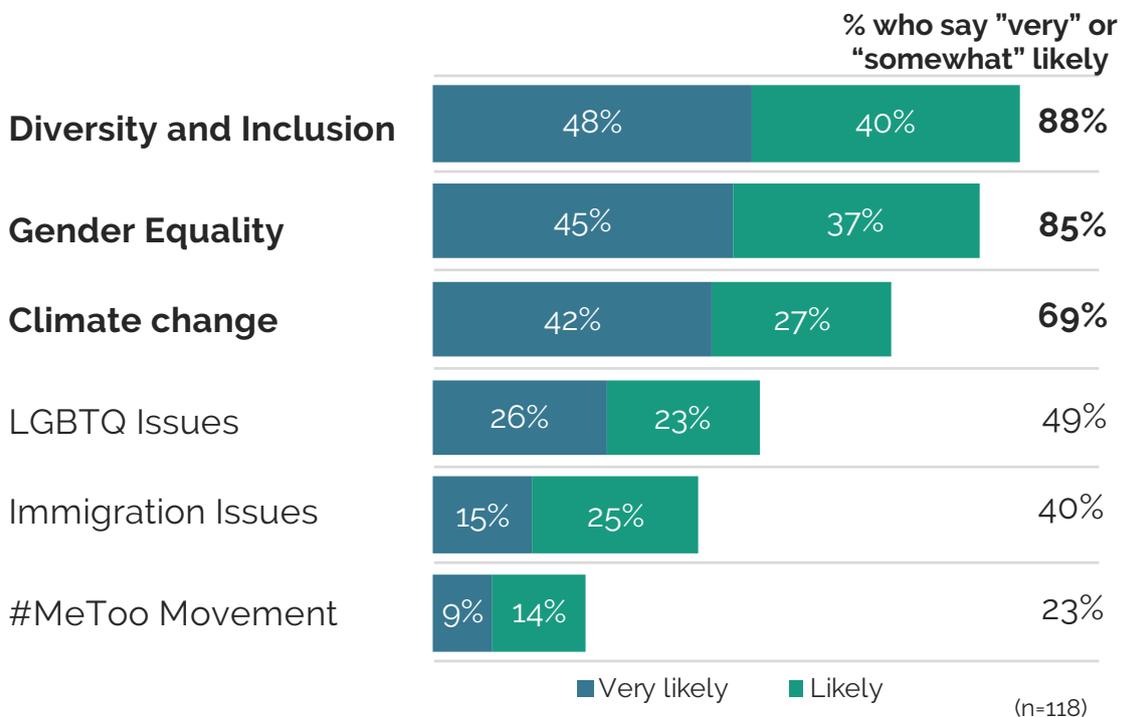
Torod Neptune, Chief Communications Officer, Lenovo, on Purpose and corporate activism



# Corporate activism on social issues most likely to occur with diversity and inclusion, gender equality and climate change

As companies struggle to draw the line on which social issues to take positions, communicators think some issues remain unlikely to be vocally supported by leadership. While majorities believe their organization would voice a position on diversity and inclusion, gender equality and climate change, they say their organizations are less likely to voice a position on the #metoo movement, immigration and LGBTQ issues.

**Q: How likely do you think it is that your organisation would voice a position on each of the following issues?**



# What do corporate communicators want from their leadership?

## More budget and leadership

The number one thing communicators would like from leadership to help deal with the new realities is more budget/resources. Nearly as many say they would like their leaders to lead – to provide a clear strategy, vision, values and purpose.

They would also appreciate leadership's trust and the freedom to try new things, greater access and involvement with leadership, more team members with new skills, and external advisors on best practice.

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**Q: If you could ask leadership for and receive one thing to help you deal with the new communication challenges that you and your team face, what would it be? (volunteered)**



(n=94) (percentages total more than 100% as multiple responses were allowed)

# Communicators want their leaders to demonstrate their commitment with words, deeds and resources

*Lead, follow or get out of the way.*

Industry Association, UK

*Don't stuff leadership teams with middle-aged white European men. Walk the talk on diversity and innovation. On the other hand, don't grab onto the latest trend without investigating whether it truly makes sense for the company, for customers and for employees.*

Listed Company, Switzerland

*A sound branding that is in line with the organisation's values and mission. Also, a general understanding of the capacity and functioning of the communications team. Content support!*

Non-Profit/NGO, Netherlands

*Absolute commitment to principles of transparency and asking always whether particular actions are the truest-to-purpose options available to us.*

Non-Profit/NGO, UK

*Be more prepared to invest in new solutions/partnerships to solve or even pre-empt the problem. Too often there is a nervousness around spending money on projects for our communications department. But when money is spent the results are tremendous. It would be great to do more of that.*

Listed Company, UK



# Partnering with leadership to develop and tell the story of the organization is a top priority for many communicators

*Access to their table - being part of the decision making process.*

Listed Company, Germany

*Communications is not just the job of the Comms Team, hence they all have to embrace these challenges and lead in communications from the front, too.*

Listed Company, Germany

*Don't hand all control over to the "digital experts." Recognize that occasionally a story needs to be more than just 250 words. A communications diet that is 100% "snackable" is NOT healthy in the long run.*

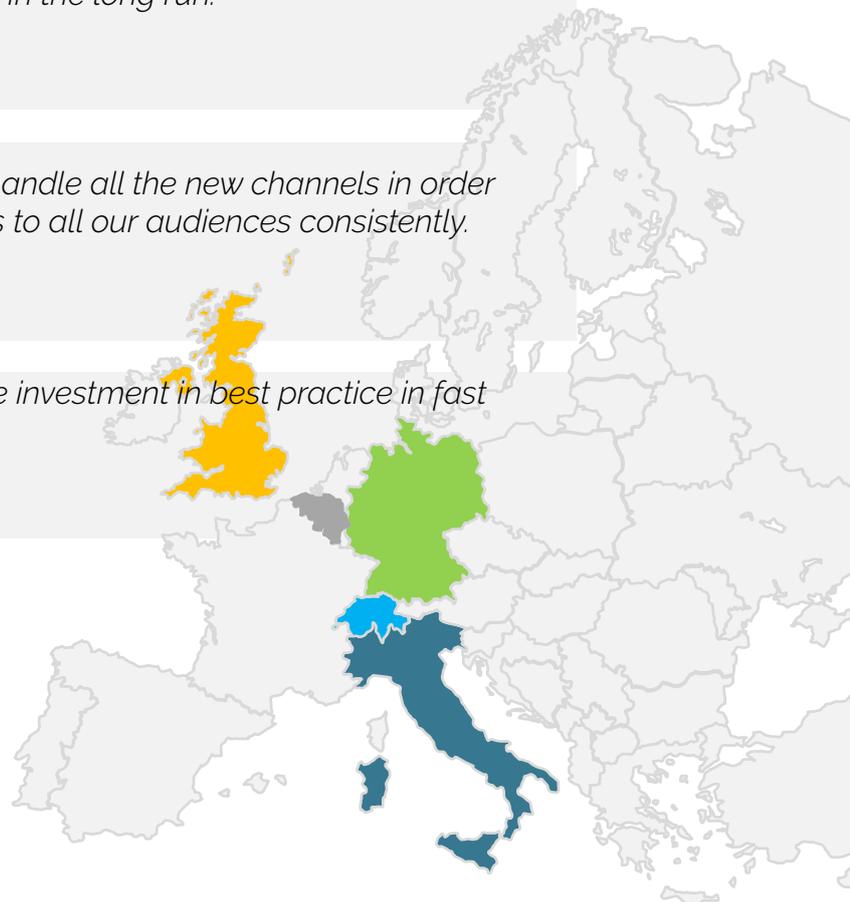
Listed Company, Switzerland

*A task force with several skills able to handle all the new channels in order to deliver all the relevant key messages to all our audiences consistently.*

Listed Company, Italy

*Access to the outside perspective. More investment in best practice in fast changing world.*

Private Company, UK



# IMPLICATIONS: A CULTURE OF PURPOSE



# The antidote to radical uncertainty:

## A culture of purpose

We think that the levels of political, economic and social uncertainty we are experiencing are unlikely to disappear anytime soon. They may accelerate. It's clear from this study that the changes and accompanying technological advances we are experiencing have created new expectations and concerns from consumers and stakeholders that require a new approach to engagement and communications. If everyone and everything communicates, it's important that they convey the right and a consistent message about the organization.

### 7 Elements of a Culture of Purpose



We think that the antidote radical uncertainty requires is clear, understood and well defined by communicators. **A culture of purpose built on clearly articulated values that makes decision making easier, response times faster and communication consistent.**

Most of the communication professionals taking part in this research understand both the challenge and the solution to varying degrees. They recognize the risks radical uncertainty brings to the entire organization and understand the building blocks of trust and support in this new era.

# Making the case for a culture of purpose

But can these communicators convince their leadership to dedicate the time and resources needed to create a culture of purpose? It can be difficult to get the executive team's attention with all the pressing day to day business concerns.

Given that consumer and stakeholder trust and support are critical to organizational success, we think increasingly the answer is communicators don't have a choice. Somehow, they have to deliver the message and get leadership's support.



We may end up with a two-track system: Those that create a culture of purpose and those that carry on "business as usual". Organizations that are clear on what matters to them and who address the issues that matter to their key audiences, are more likely to be trusted and supported. Organizations that continue to take a reactive approach to issues risk expending all their energy firefighting and will struggle to connect with the people that matter most to their success. Business as usual is not sustainable.

Communicators want their leaders to lead. They say: Give us a purpose. Give us a strategy. Walk the talk. Give us the freedom to experiment. Give us the budget to tell the story and the resources to execute. But what if leadership lags behind or doesn't want to hear the message?

Here are five ideas we believe can help to propel you and your organization forward:

1. **Model change.** Advocate for purpose, transparency and inclusion with the people internally that matter to success.
2. **Provide proof that purpose matters.** Find and use evidence (like these results) to show leadership why a culture of purpose matters and what it delivers.
3. **Start with your own team.** Right skill your team and put in place the monitoring, engagement and reporting tools that will demonstrate concrete value.
4. **Look for allies in the organization.** There will be other like-minded colleagues who see the world as you do. Get together formally or informally to share ideas and build momentum.
5. **Get advice.** There are plenty of external experts on social media, reputation, brand and cultural change. Use them to help you make the case - and to drive change from the inside out.

*Deep reflective listening to your critical stakeholders, in particular to your internal audiences, as well as to your own inner voices, builds an environment of trust and creates the path towards a purposeful future.*

Inge Wallage, Managing Director EACD and owner/founder  
The Butterfly Effect - strategies for transformation



## About the Brand and Reputation Collective

The Brand & Reputation Collective (the BRC) is an independent agency that provides strategy, opinion research and digital analytics for brand, reputation and issues management. We take an insight-driven, campaign approach to managing brand, reputation and business critical issues. We help organizations identify what matters to them and how best to achieve it. We help eliminate the silos between brand and reputation, build leadership support, and drive engagement with the audiences critical to your success.

The BRC works with clients and partners to break down the walls between organizations and their audiences – inside and outside the building – to close the gaps between what they do and say and how that's perceived.

*Phil Riggins*

*founder and CEO, the BRC*

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[www.bandrcollective.com](http://www.bandrcollective.com)

## About the European Association of Communication Directors

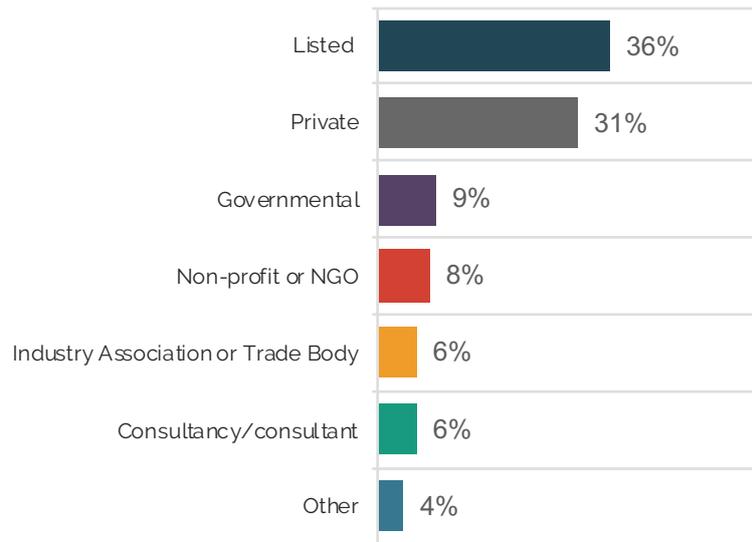
The European Association of Communication Directors (EACD) attracts, inspires and engages current and future communication leaders to drive excellence in the communications profession. Recognising the growing importance of communications, the EACD offers professionals a platform to connect, deepen their expertise, share best practice, and establish and promote relevant standards.

For more information, please visit [www.eacd-online.eu](http://www.eacd-online.eu).

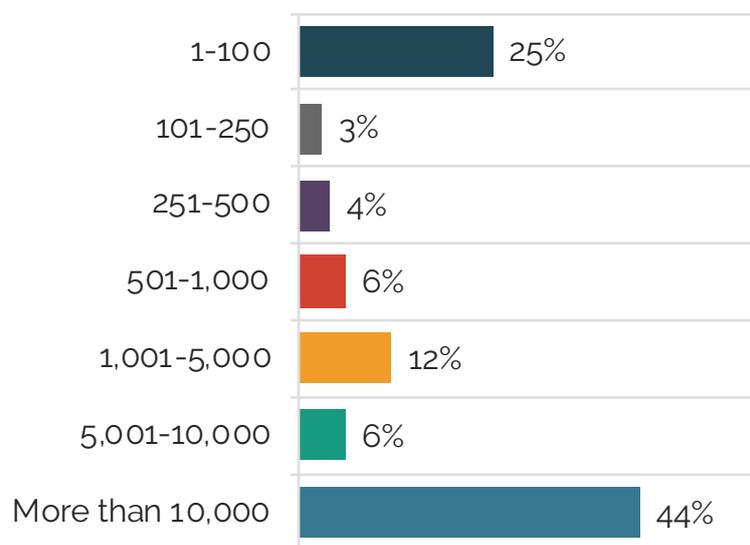


# ABOUT THE STUDY

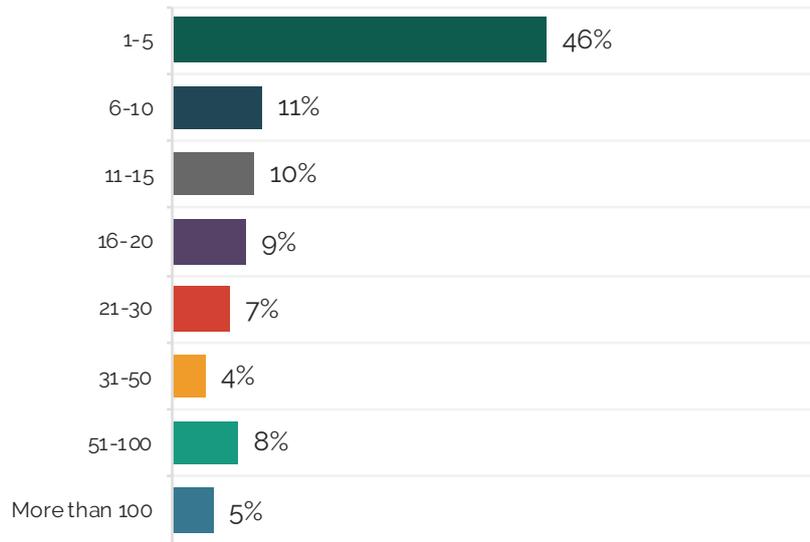
## Type of Organization %



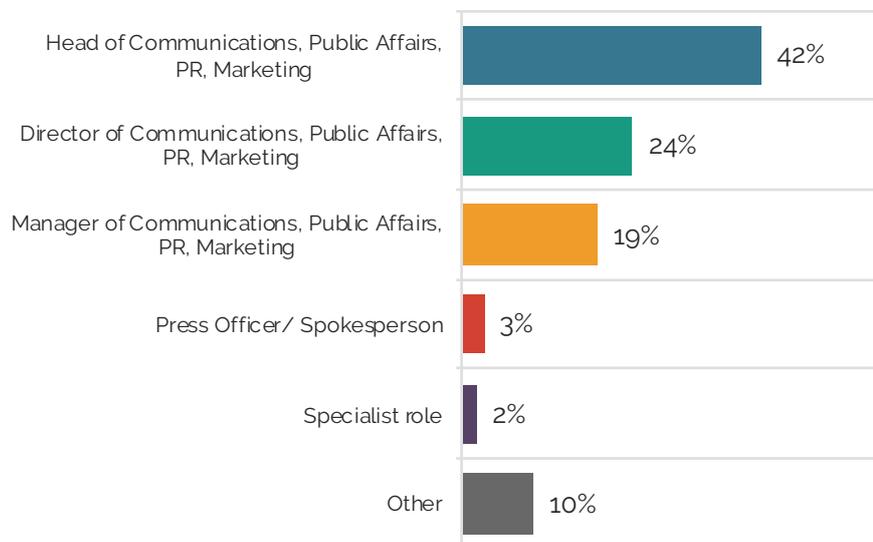
## Number of Employees Worldwide %



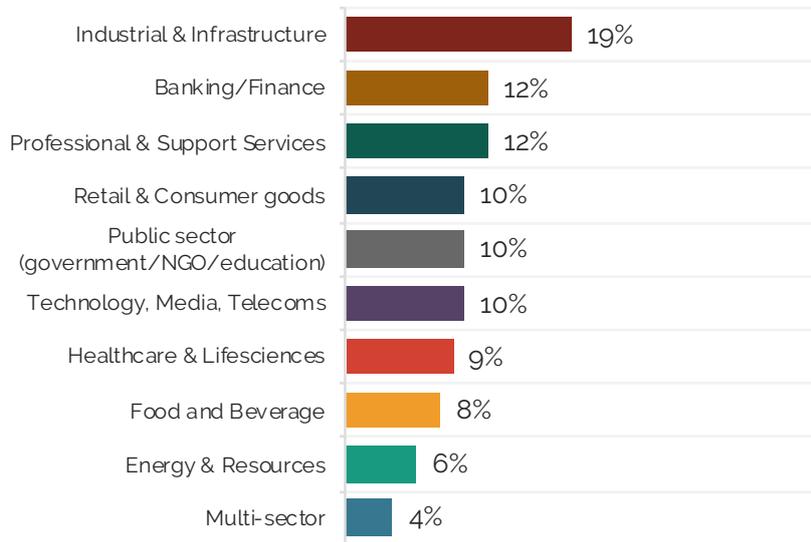
## Number of Employees in Department %



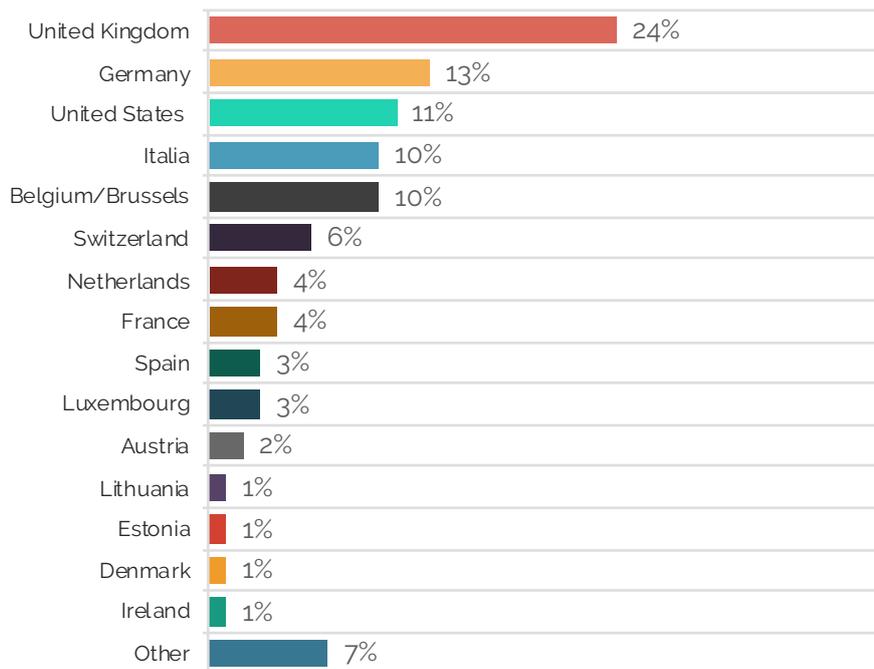
## Respondent Position %



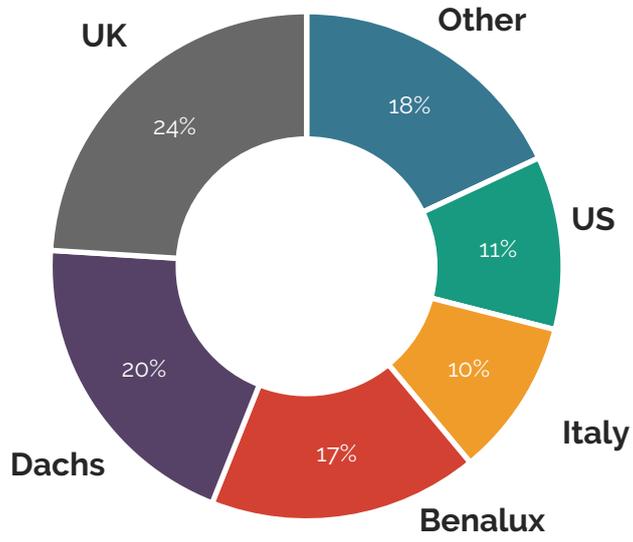
### Sector %



### Country %



Country groupings  
%



Gender  
%

