MASTERING BUSINESS FOR STRATEGIC COMMUNICATORS

Insights and Advice from the C-suite of Leading Brands
Mastering Business for Strategic Communicators is a gem and a must-read for anyone aspiring to lead communications for any organization. It makes clear that to be a top communicator today you have to be a business leader first, mine data and relationships, and find ways to transform strategy into relationships and results.

— Mike Fernandez, Chief Executive Officer, U.S., Burson-Marsteller

Matt and Ron are on a mission: To make sure PR’s next generation is schooled in the foundations of business and thus regularly asked into the “room where it happens.” Through chapters contributed by many of today’s most successful communicators, along with observations by leading C-suite executives, their newest book will go a long way towards helping students — as well as those building careers — easily and more fully understand business at the intersection of strategic communications. I used their first book in my classroom at Boston University. I will use their new one, too.

— Ray Kotcher, Professor of the Practice, Boston University College of Communication and Non-Executive Chairman, Ketchum

Wow! What an outstanding read! Featuring stories and insights from the best of the best in the industry, Mastering Business For Strategic Communicators must be required reading for students and practitioners alike in any area of business, communication, and public relations.

— Tina McCorkindale, Ph.D., APR, President and Chief Executive Officer, Institute for Public Relations
An indispensable collection of career-defining insights from an unbelievably impressive group of battle-tested business leaders. This will quickly become mandatory reading for me and my team, and a constant travel companion.

— Torod Neptune, Worldwide VP Communications and Chief Communications Officer, Lenovo Group, Ltd.

Backstopping every C-suite are their strategic communications leaders, counseling businesses on how to increase shareholder value, maintain trust in a crisis, and enhance reputation. Mastering Business provides a front row seat as to how diverse companies navigate the communications land mines populating our ever changing media landscape.

— Barri Rafferty, Partner and President, Ketchum

Mastering Business is a succinct, readable and compelling work. It does a wonderful job capturing the way the profession has evolved and how it might look in the future. The insights here from Jeff Winton, Chuck Greener, Tony Cervone, Kathy Beiser and many other true giants in the field present a blueprint for those who want to be trusted advisors with a seat at the table where business decisions are made. It is an essential read for anyone pursuing a career in communications.

— Bill Heyman, Executive Recruiter, President and CEO, Heyman Associates

I’ve recommended Ragas and Culp’s first book, Business Essentials for Strategic Communicators, to dozens of professional colleagues and have made it a central textbook for my students.
I can see now that I’ll need to make room for their new book, *Mastering Business for Strategic Communicators*. This compilation of perspectives from some of the top names in strategic communications is remarkably timely and thorough, and should be on the top of the reading list not only for communications professionals, but for C-Suite leaders who want to truly understand the role that communications plays in helping them achieve their business purpose.

— Matt Kucharski, President, Padilla and Adjunct Professor, University of Minnesota School of Journalism and Mass Communications

Ragas and Culp’s new book provides sound recommendations and actionable steps young communicators can take to make sure they are prepared and able to show maximum value in their roles. Through an excellent collection of relevant stories from some of the world’s top communicators, their book is less about earning a seat at the table and more about keeping it throughout your career.

— Matt Tidwell, Ph.D., APR, Program Director, Master’s in Integrated Marketing Communications, University of Kansas

In a rare collection of contemporary essays from high-ranking professionals in the field, Ragas and Culp offer students an insider’s look at how corporate communications experts guide their companies to meet opportunities, manage change, speak the truth and lead. This book — through its research, arguments, testimonials and concrete examples — will be indispensable to readers in accessing the practical business insight necessary for succeeding in today’s corporate communications jobs.

— María Len-Ríos, Ph.D., Associate Professor, Public Relations, Grady College of Journalism and Mass Communication, University of Georgia
Ragas and Culp provide an extensive follow-up to their first book, *Business Essentials for Strategic Communicators*. This new book delivers what the title promises: sharp insights from today’s leading communication professionals in the C-Suite. With a glossary, list of resources, and engaging writing style, the book will be a valuable trove of knowledge and inspiration for students as well as current professionals aspiring to the C-suite.

— *Tim Penning, Ph.D., APR, Professor of Advertising and Public Relations, School of Communications, Grand Valley State University*

The masterful leaders of business communication have done it again. Ron Culp and Matt Ragas put out the no-nonsense handbook for enterprise communicators — and for those of us teaching new-wave students — on the reality of sustaining stakeholder values. On this base, they’re now giving us direct, succinct and highly readable counsel from leaders in corporations and organizations on what works and what’s changing in enterprise strategies to sustain and strengthen critical stakeholder connections.

— *E. Bruce Harrison, Professor, Graduate Studies, Master’s in Public Relations & Corporate Communications program, Georgetown University*

The modern communications professional not only needs to be familiar with the “business of business,” but rather they need to be able to understand what the marketing, finance, accounting and other departments contribute to their organization’s well-being. Culp and Ragas’ *Mastering Business for Strategic Communicators* takes that next step from their previous book by providing real-world advice from legends and experts in the field that already have that seat at the table. Any communications
professional who wants to become a top-level executive needs to read this book.

— Kenon A. Brown, Ph.D.,
Assistant Professor and Graduate Coordinator,
Department of Advertising and Public Relations,
The University of Alabama

*Mastering Business* is a great resource for young professionals who aspire to advance to management positions. I especially appreciated the inclusion of views from other members of the C-suite such as operations, human resources, legal and CEOs. The advice the CCOs provided is grounded in their personal experiences, which they freely share. I would highly recommend this book for young professionals, students, and especially courses in management and leadership.

— Marlene S. Neill, Ph.D., APR,
Assistant Professor, Journalism,
Public Relations and New Media Department,
Baylor University

Ragas and Culp have produced an eminently useful guide to the business of strategic communication. We hear first-hand from leading practitioners what it means to be a strategist-advisor to the C-suite, speaking the language of business and adding bottom-line value. *Mastering Business* is our seat at the table — and a glimpse into the future of the discipline.

— Jesse Scinto, Associate Director for Curriculum Development, MS programs in Strategic Communication,
Columbia University
In *Business Essentials for Strategic Communicators*, Ragas and Culp gave PR students and rising professionals across the country a roadmap to understanding the critical business skills that would put them on the path to getting a “seat at the table” when key decisions are made. With *Mastering Business*, they bring forward the perspectives and life lessons of some of the most respected leaders in corporate communications, giving us not only an engaging read but also a master class in what to do once you have the seat at the table, and more importantly how to keep it. It’s a must read for anyone who wants to be a CCO or plans to work with one.

— **Ken Kerrigan**, Executive Vice President, Weber Shandwick, and Adjunct Professor, MS in Public Relations and Corporate Communication program, New York University

*Mastering Business* clearly spells out the skills inherent in the business acumen of top leaders. If you hold a high-level communications role within an organization or have ever aspired to such a position, you would be well served to spend next weekend reading *Mastering Business*, a thought-provoking and brilliant book.

— **Timothy Lent Howard**, Ph.D., Professor of Public Relations, California State University, Sacramento

Writing and persuasion is no longer enough. In order to be successful, today’s communication professionals need to have a solid understanding of the world of business. With the essays presented in this book, Ragas and Culp have brought together a venerable “who’s who” of communication executives from across industries and business sectors. The keen wisdom and practical insights they share will prove invaluable not only to students of strategic communication but also professionals already in the industry.
Who else but seasoned CCOs could transform the complexity of business management into straightforward, engaging stories that synthesize years of corporate communications wisdom? Mastering Business for Strategic Communicators is a must read for aspiring communicators looking to break into the corporate world.

— Christopher Wilson, Ph.D.,
Assistant Professor, Public Relations,
School of Communications,
Brigham Young University
MASTERING BUSINESS FOR STRATEGIC COMMUNICATORS

Insights and Advice from the C-suite of Leading Brands

Edited by

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This book is dedicated to our better halves, Traci and Sandra, and our students, who inspire us each and every day, and are the future leaders of our field.
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CONTENTS

List of Contributors xvii
Acknowledgments xix
Preface xxiii
Foreword xxvii

PART I
INTRODUCTION

1. Advising “the Room Where It Happens”: The Business Case for Business Acumen
   Matthew W. Ragas and Ron Culp 3

PART II
COMMUNICATIONS, BUSINESS ACUMEN, AND THE C-SUITE

2. The Communicator as Integrator
   Gary Sheffer 23

3. Why Business Acumen Matters More Than Ever
   Peter Marino 31

4. From Farm to Pharm: Business and Life Lessons Learned in the Barnyard
   Jeffrey A. Winton 39
PART III
FINANCE AND INVESTOR RELATIONS

5. Taking the Numb Out of Numbers: Working with the Office of the CFO
   Kathryn Beiser

6. The Partnership between Corporate Communications and Investor Relations
   Carole Casto

PART IV
HUMAN RESOURCES AND EMPLOYEE ENGAGEMENT

7. Mastering Business Means First Understanding Your People
   Corey duBrowa

8. Employees as Drivers of Corporate Brand and Reputation
   Paul Gerrard and Angela Roberts

9. Have a Seat at the Table — Not on the Fringes
   Anne C. Toulouse

PART V
CORPORATE STRATEGY, INNOVATION, AND LEGAL

10. Collaborating with Strategy and Innovation: Taking on the Challenge to “Communicate the Amoeba”
    Linda Rutherford

11. Telling the Story of Value Creation
    Clarkson Hine

12. Lessons from My Father: Bringing the “Greener Rules” to Corporate Strategy and Planning
    Chuck Greener
13. Understanding the Corporate Legal Department  
   Mark Bain  115

   PART VI  
   MARKETING, BRAND, AND DATA ANALYTICS

14. Driving to the Right Place: Aligning Communications with Business Goals and Objectives  
   Joe Jacuzzi and Tony Cervone  125

15. Peas in a Pod: Communications and the Chief Marketing Officer  
   Richard Kylberg  133

16. Learn the Language of Business and Keep What You Earn  
   B.J. Talley  141

   PART VII  
   SOCIAL RESPONSIBILITY AND TRANSPARENCY

   Matt Peacock  151

18. How Communicators Can Help Corporations Make a Difference  
   Stacy Sharpe  159

19. Communications for Social Good  
   Andrew Solomon  167

   PART VIII  
   COMMUNICATION AND CORPORATE TRANSFORMATIONS

20. Building Communications’ Influence during Corporate Transformation  
   Kelly McGinnis  177
21. Accentuate the Positive: The Communicator’s Catalytic Effect  
   *Jon Harris*  
   185

22. Communications Leadership that Strong Leaders Expect  
   *Nick Tzitzon*  
   191

PART IX  
SUMMING UP

23. Observations and Conclusions from “Masters of Business”  
   *Matthew W. Ragas and Ron Culp*  
   201

About the Authors  
219

Resources on Business Acumen  
233

Glossary  
247

Index  
283
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xvii
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We are grateful for the support of our outstanding editor, Charlotte Maiorana, and the talented team at Emerald Group Publishing. Charlotte saw both the value and need for this book from the start. We wish to thank our previous editor-turned-literary agent, Leila Campoli, for her continued guidance and support. A special thank you is owed to Kevin Spitta, our graduate assistant during our editing of this book. Kevin kept a complicated project with many moving parts and deadlines beautifully organized, and always did so with a smile and an encouraging word. We can’t wait to follow his career. Thank you also to Dean Salma Ghanem and our colleagues in the College of Communication at DePaul University. You inspire us with your steadfast commitment to investing in students and making the world a better place.

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The future of the public relations and strategic communications fields is in good hands in part because of the excellent academic and professional groups in our profession, and the dedicated leaders and volunteers that guide these organizations. We wish to thank the following associations and centers for all they do: Arthur W. Page Society and Page Up, The Arthur W. Page Center for Integrity in Public Communications, Association for Education in Journalism and Mass Communication (AEJMC), Association for Measurement and Evaluation of Communication (AMEC), Business Marketing Association (BMA), Commission on Public Relations Education (CPRE), Corporate Communication International, International Association of Business Communicators (IABC), International Public Relations Research Conference (IPRRC), Institute for Public Relations (IPR), International Communication Association (ICA), The Museum of Public Relations, National Investor Relations Institute (NIRI), The Plank Center for Leadership in Public Relations, the PR Council, PRSA Foundation, Publicity Club of Chicago (PCC), Public Relations Society of
America (PRSA) and Public Relations Student Society of America (PRSSA), and USC Center for Public Relations.

Matthew wishes to thank his parents and family for instilling in him a love of learning at an early age. Whether it was an early interest in history (his mom will tell you he tried to write the history of the world), reading, writing, the news media, politics, or the world of business, all interests were encouraged and supported. He didn’t just read or watch business news growing up, but, thanks to his parents, he was able to track a real portfolio of stocks and follow their performance. He was also given nothing but encouragement around his entrepreneurial business ideas and his work in start-up companies — some that succeeded tremendously, while others crashed and burned. Either way, his parents were always there to encourage his latest and greatest. Matthew also wishes to thank the mentors that have enriched his professional and personal development, including Edward P. “Ned” Grace III, Spiro Kiousis, and Ron Culp. Take note future communications leaders: Ron shows that “work hard and be nice” is the right way to lead.

Ron also thanks his DePaul colleagues and other educators who so warmly welcomed him into academia after a long career in corporate and agency roles. As a self-described “pracademic,” Ron appreciates the encouragement and support being given to increasing experiential opportunities for both students and those teaching them. To that end, he wishes to salute the Plank Center for Leadership in Public Relations for its role in bridging gaps between educators and professionals. Like Matt, Ron also thanks his mentors and friends, many of whom are no longer with us — the late Betsy Plank, Dan Edelman, Al Golin, and Jack Raymond. They and others have had a huge influence on his life and career. Ron also thanks colleague and friend Matthew Ragas and hundreds of other mentees who have been so instrumental to his life and career. Each and every one has proven that mentorship,
indeed, is a two-way street. These future leaders of our profession are doing things each and every day that make him proud.

Finally, thanks to you, the reader. Your interest in business acumen and strategic communication leadership will not only benefit you and your career, but the overall stature of the profession and its ability to create value for both business and society as a whole.

Matthew W. Ragas
Ron Culp

Chicago, IL.
Strategic communication increasingly means business.

Recognition is growing among communication professionals, educators, and organizational leaders that — for communications departments and agencies to provide the most value to organizations, their stakeholders, and society as a whole — strategic communicators need to be business people with an expertise in communication.

Let this last sentence sink in for a moment, as it represents a paradigm shift of sorts.

Fortunately, inside many large organizations the communications function increasingly has gained the trust of members of the C-suite on advising these senior leaders on “what to do” — policy setting — and not just “what to say” or “how to say it.”

The role of being both counselor and advisor — rather than simply that of a skilled communications technician — demands greater business acumen, not just for the chief communications officer (CCO) or senior agency professionals, but for mid- and junior-level team members who help support these leaders. The entire profession and, in fact, society as a whole benefits when more pros improve their fluency in the language and essentials of business, thereby better shaping and communicating purpose and strategy across an enterprise and outside of it. It is perhaps a misnomer to label the field “strategic communications” if professionals are well versed in technical skills, but lack a strategic business management perspective.

The good news is that we have seen firsthand how agencies, in-house teams, and university communication programs are
placing a greater emphasis on building business acumen. The very positive response by professionals and educators to our first book together titled, *Business Essentials for Strategic Communicators: Creating Shared Value for the Organization and Its Stakeholders*, is heartening. Reader feedback on *Business Essentials* placed a particular value on the illustrative quotes in the book drawn from original interviews with senior leaders in the field. Business concepts and terminology — and the value of investing in gaining such knowledge — become much more tangible when they are illustrated with real-world stories.

This book, *Mastering Business for Strategic Communicators: Insights and Advice from the C-suite of Leading Brands* builds upon this feedback and the continued evolution of the profession. Strategic communicators have a unique vantage point across both the enterprise and society as a whole. As such, communications leaders are increasingly being asked by the C-suite to serve as conveners, collaborators, and integrators *across departments and functions*. To fulfill such a mandate, communicators need not just general business acumen, but a rich understanding of the major departments and functions that make up the C-suite, such as marketing, finance, human resources, investor relations, corporate strategy, legal, data science, and technology.

As such, *Mastering Business* brings together many top senior communications leaders in the field who generously share both their insights and experiences learned while working with specific C-suite functions and C-level executives. We have purposely drawn contributors that come from a wide range of backgrounds, industries, and geographies to provide a diversity of thought and experiences. Collectively, these contributors help drive the business strategy and protect the corporate reputations of brands that are worth many billions in market value, employ tens of thousands of people, and produce products and services used by millions of people.
Alongside each contributor essay, you will find a short “Career Spotlight” Q&A with this industry leader. In addition, to provide a valuable “outside/inside” perspective, each essay also includes a “C-suite View” response authored by a C-level executive that is a current or former colleague of the contributor. We think you will find these outsider viewpoints illuminating.

We thank these “Masters of Business” for graciously sharing their insights and experiences, and for helping to advance the body of knowledge. Collaborations between educators and practitioners are still far too rare. We offer this book in the hope that it will inspire future such collaboration.
Matt Ragas’ and Ron Culp’s first book together, Business Essentials for Strategic Communicators, addressed the fundamental truth that understanding how the business works is the price of entry for success in strategic communication.

Their new book, Mastering Business for Strategic Communicators: Insights and Advice from the C-suite of Leading Brands, takes the conversation to a new level. Here, we learn how to work across the enterprise with senior leaders who are subject matter experts. Being able to function as a peer — sometimes leading, sometimes following, always collaborating — requires an ability to think strategically about business challenges and a command of the soft, interpersonal skills that distinguish the best leaders. This book contains the stories of successful senior communicators who have mastered both.

When I led strategic communication at Aetna, the company had a near-death experience. The board brought in a new CEO, Jack Rowe, who was determined to turn the company around with a new strategy, a new operating model, and a transformed culture. I supported his focus on quality health care and his ideas about making the company more responsive to physicians and patients, and more focused on facilitating quality health care outcomes. But Jack was replacing most of the senior team and I was taking nothing for granted.

I was called into Jack’s office just a few weeks after his arrival and half-expected that he was going to tell me I was out. Instead, Jack said, “I want you to lead the culture change initiative.” I was
shocked. It wasn’t my expertise and I hadn’t a clue how to go about it.

The task was immense. Aetna was a 150-year-old company with an entrenched, risk-averse, process-oriented, insurance company culture. It had recently acquired an entrepreneurial, process-averse company and the merger of the two businesses had led to a bitter culture war.

We had to lose the allegiances to the previous entities and think through objectively what cultural attributes would be needed to support the new strategy and operating model, both of which were simultaneously under development. We asked ourselves, *who owns the culture*? The answer: no single executive or department — not HR and not even the CEO. We *all* had to own it together.

I formed a partnership with my close colleague, Elease Wright, who led human resources, and consultant Jon Katzenbach. To lead the work, we created an ad hoc Council for Organizational Effectiveness. By Jack’s edict, every line and staff organization in the company had to be represented by a senior executive. It was my job to bring along everyone — even the foot-draggers — by gradually building small successes into bigger ones.

Fortunately, my background working in politics and at IBM had prepared me well for the kind of collaboration this task required. I had learned you need three things:

1. *Have a clue*: You must understand the business. In this case, I had to learn how the culture impacted operations and strategy. You may never be as knowledgeable as the functional experts, but if you can’t understand and think strategically about complex topics, you will be marginalized.

2. *Have guts*: All enterprises have a tendency to develop group-think. We work together, understand each other, and share the same experiences. That’s a strength, but when change is
necessary, it takes courage to stand up against the conventional wisdom.

3. *Have woo*: Okay, I know that woo is a verb, but I like *Strengthsfinder*’s definition: “People with the strength of WOO have a great capacity to inspire and motivate others.”

Building alliances with battle-hardened executives requires the skills that communicators should be really good at: *active listening* and *thoughtful persuasion*.

Our council met monthly, gathering input from across the organization and creating a new mission statement, a set of values and operating principles. Most important, we built commitment to the new culture through both processes and dialogue. Employees were skeptical at first, and there were pockets of resistance. But our enterprise-wide approach developed evangelists throughout the organization who kept us focused and committed. By the time Jack and I left six years later, the company had rebuilt its pride and its financial success.

Matthew and Ron bring the deep knowledge of successful educators and practitioners to this project. They have assembled here a set of essays from some of the world’s leading communicators that illustrate how to work effectively with senior business leaders across departments and functions.

This is a timely contribution, because corporate communication is more critical to the success of the enterprise than ever before. Strategic communication leaders must rally support *across the enterprise* to build a corporate character that makes the organization worthy of trust, and simultaneously must enlist the entire enterprise to build authentic stakeholder engagement.

You will want to keep your copy close at hand as an essential resource.

Roger Bolton
President

*Arthur W. Page Society*
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PART I

INTRODUCTION
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I wanna be in the room where it happens.

Before this was a line from a hit song in the smash Broadway musical “Hamilton,” strategic communications professionals had argued that — for them to do their jobs most effectively — they needed a “seat at the table” or access to this table (Bowen, 2008, 2009; Grunig, Grunig, & Dozier, 2002; Harrison & Mühlberg, 2015; Turk, 1989). Research shows that, over the past decade, the chief communications officer (CCO) increasingly is part of an organization’s leadership team (Marshall, Fowler, & Olson, 2015a, 2015b; Swerling et al., 2014), or at least advises members of the C-suite (APCO Worldwide, 2016), including sitting on executive-level committees (Neill, 2015). In a more transparent world, in which companies must earn and keep the trust of their stakeholders, and corporate reputations and brands can provide competitive
advantage (Doorley & Garcia, 2015; Goodman & Hirsch, 2015), the roles, responsibilities, and expectations of the CCO and strategic communicators have been elevated (Sahel, 2017).

With this elevation of communications within corporations, the knowledge, skills, and capabilities required of not just the CCO, but of the in-house and agency professionals that support the communications function, is transforming. Both professionals and academics alike (e.g., Feldman, 2016; Marron, 2014; Neill & Schauster, 2015; Ragas, Uysal, & Culp, 2015; Roush, 2006) have discussed the evolving skillset required for communication professionals to truly be strategic assets to their organizations in advancing corporate character, purpose, goals, objectives, and strategies (Berger & Meng, 2014; Dolphin & Fan, 2000; Laskin, 2011).

KNOWLEDGE, SKILLS, AND CAPABILITIES FOR FUTURE LEADERS

Generally, professionals and educators agree (Duhé, 2013; Feldman, 2016; Kolberg, 2014; PRNews Pro, 2016a, 2016b; Spangler, 2014) that a strong grounding in the fundamentals of the major areas of business, such as management, finance, accounting, marketing, sales, human resources, information technology and data science, supply chain, innovation and transformation, is an important knowledge base for communicators (Claussen, 2008; DiStaso, Stacks, & Botan, 2009; Ragas, 2016; Wright, 1995, 2011). This essential general and industry-specific business knowledge is often referred to by professionals as business acumen (Charan, 2001; Cope, 2012; Ragas & Culp, 2013, 2014a, 2014b, 2015). While learning about the business of business has long been espoused by some educators as critical to training future strategic communications professionals (e.g., Turk, 1989; Wright, 1995), this perspective has gained broader acceptance in recent years (see Commission on Public Relations Education, 2012, 2015).
For example, Dennis Wilcox and Glen Cameron outline six essential career skills in *Public Relations: Strategies and Tactics* (2012), one of the most widely used textbooks in public relations classrooms. These skills are: (1) effective writing, (2) research ability, (3) planning expertise, (4) problem-solving ability, (5) business/economics competence, and (6) expertise in social media. Wilcox and Cameron (2012) write that “the increasing emphasis on public relations as a management function calls for public relations students to learn the ‘nuts and bolts’ of business and economics” (p. 25). An important argument can be made that professionals sharpen some of these essential skills, such as problem-solving ability, through having a stronger and deeper understanding of business, thereby better understanding possible solutions to problems.

Of course, it is important to emphasize that business acumen is not a “be all, end all” in itself for strategic communication success or the advancement of the profession. Some studies show a greater importance (Neill & Schuster, 2015; Ragas et al., 2015) placed on business acumen by practitioners than others (Sievert, Rademacher, & Weber, 2016). For example, the 2017 Global Communication Report from the USC Center for Public Relations found that, when given a list of important skills for future growth, professionals rated business literacy (64% rated as important) in the middle of the pack with strategic planning (89%) at the top and media buying (18%) at the bottom. Of course, to gain a “big picture” view so as to make meaningful contributions to strategic planning, a professional needs a strong grounding in general business acumen, as well as the specifics of an industry and organization.

**THE NEW CCO**

The Arthur W. Page Society, a professional association comprised of senior strategic communications professionals, agency heads,
and distinguished academics from around the world, has done perhaps the most detailed multi-year research and thought leadership work examining the future knowledge, skills, and capabilities required of CCOs and professionals working in corporate communication. This mixed-methods research program conducted by the Arthur W. Page Society (2016, 2017a) concludes that the CCO and communications function of tomorrow will serve the following roles in activating corporate character (Arthur W. Page Society, 2013a, 2013b) and building authentic advocacy (Arthur W. Page Society, 2007):

(1) **The foundational CCO**: The CCO will be expected to serve as a strategic business leader and counselor, a steward of enterprise reputation and an effective communicator.

(2) **The CCO as integrator**: The CCO will be expected to drive cross-functional collaboration and integration on strategic priorities across the enterprise. As such, the CEO should have a direct working relationship with the CEO and C-suite colleagues.

(3) **The CCO as builder of digital engagement systems**: The CCO will be expected to leverage data to understand individuals; create channels and platforms to connect with those individuals directly; and engage with individuals to shape opinion and influence behavior.

In assessing the changing organizational landscape, Bob Feldman, co-founder and principal of PulsePoint Group and co-chair of the Arthur W. Page Society’s skills and capabilities committee, has argued that “basic business skills are still required” and “the need for general leadership skills is stronger than ever” (Feldman, 2016, para. 1). Based on feedback from Page Society members and members of Page Up, a sister organization, the following capabilities were identified as being the most critical for professionals:
• Strategic business thinking
• Dealing with ambiguity and complexity
• Offering courageous counsel
• Problem solving
• Business acumen

Feldman sees the lack of greater levels of business acumen across the PR and corporate communication fields as inhibiting how the function is perceived by business leaders:

_The rise of the entire function in the eyes of the C-suite depends on the stature, business acumen and performance of the individuals in the organization. Strong business acumen is not perceived to exist now in the function, meaning it will often be viewed as a tactical, non-strategic weapon._ (2016, para. 9)

These remarks generally align with the discussions among Page Society and Page Up members during a multi-day, global online brainstorm, called a Page Jam, held in fall 2014 about the future of the CCO and corporate communications. John Onoda, a senior consultant at FleishmanHillard and previously a senior communications executive for brands such as Charles Schwab, General Motors, Visa USA, and Levi Strauss, offered the following perspective based on his decades of leadership experience: “When I think about my relationship with the different CEOs and chairmen I’ve worked with, it was probably my business acumen more than my communication skills that most strengthened the bond between us.”

On a related note, in this same Page Jam, James S. O’Rourke, professor of management and former director of the Fanning Center for Business Communication at the University of Notre Dame, argued that having business acumen simply makes for better informed and more effective strategic communications
professionals. According to O’Rourke, “Unless we each understand how our companies make money, how they grow or gain market share, and how they compete directly in the marketspace, our story-telling is likely to come off as superficial or shallow.”

Arthur W. Page Society (2017a) research has also interviewed more than 20 CEOs of large corporations to gain their opinions on the roles and expectations they have today of CCOs and the communications function as a whole. This research concludes that total business knowledge by the CCO is now “table stakes.” More specifically, this CEO research finds that:

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.

Such a statement indicates that the communications staff and external partners supporting CCOs will be better positioned to do so by sharpening their business knowledge and skills.

THE CCO’S EXPANDING LEADERSHIP ROLE

Complementing the Page Society research on the new CCO and the future of the communications function, the Korn Ferry Institute, the research and analytics arm of Korn Ferry, the world’s largest executive search, leadership and talent development firm, has also has conducted research with CCOs on this subject (Marshall et al. 2015a, 2015b). As with the Page Society, the Korn Ferry research finds that CCOs of FORTUNE 500 companies believe they are generally taking on a more prominent leadership role within their organizations. Further, they feel that having a “strategic mind-set”
is their most important leadership characteristic. More specifically, according to the survey results, “The CCO, as with other C-suite roles, is expected to contribute in shaping enterprise strategy” (Marshall et al., 2015a, p. 2).

Continuing with this theme, the Korn Ferry Institute research recommends:

The more adept Fortune 500 CCOs become in strategic roles — even to the point of becoming elite corporate affairs strategist-advisors — the more they will be recognized not only for their expertise in developing integrated and aligned communications strategies but also for their ability to help develop organizational strategies involving a wide variety of constituents and stakeholders. (Marshall et al., 2015a, p. 3)

The survey results (Marshall et al., 2015a, p. 5) indicate that — beyond managing the traditional communications function — CCOs and their teams are being asked to demonstrate leadership on:

- Reputation, values, and culture across the enterprise
- Design systems, such as those that support an enterprise-wide social media strategy
- Define and activate corporate character
- Develop and publish content for external stakeholders
- Analyze data to understand how stakeholders view the enterprise

The study authors (Marshall et al., 2015a) recommend that CCOs gain broader experiences and develop deeper financial and business acumen so as to be better prepared to assume broader leadership responsibilities. A separate study by the Korn Ferry Institute (Marshall et al., 2015b) identifies an elite sub-set of CCOs that it calls a “best-in-class corporate affairs executive”
(p. 1), whom serves as an advisor-strategist to the CEO and the C-suite, counseling through the lens of anything that may impact the corporation’s brand and reputation.

ADVISING THOSE “IN THE ROOM WHERE IT HAPPENS”

“You cannot not communicate” is the new reality for corporations in a hyper-connected world in which every move, whether made by management or front-line employees, is monitored and evaluated by stakeholders — and can bolster or sink brands and reputations in a flash.

As such, CCOs and communication departments are increasingly being called upon to define, activate and align company values, corporate character, and culture across the enterprise — from the board room to the front lines. Further, a growing number of CCOs and their departments are being asked to provide strategic counsel so that corporate behaviors hold true to such values, character, and culture. Companies deserving of trust don’t simply “talk the talk,” but they “walk the walk.” CCOs and senior communications professionals need direct access to the CEO and the C-suite so as to have meaningful input into both decision-making and the development of corporate strategy, rather than simply being brought in after the fact to communicate such decisions and policies within the enterprise and to external stakeholders.

Decades of business management research around signaling theory (Spence, 1973, 2002) and reducing information asymmetry (Stiglitz, 2002a, 2002b) demonstrates that often the most powerful “signals” that companies send to stakeholders and markets are through the actions they take, rather than simply the words they say, whether that be through news releases or social media messages. There is an old adage on Wall Street that implores investors to “watch what they do and not what they say” when it comes to
monitoring and evaluating the senior leadership of corporations. Whenever a company takes an observable action such as changing an HR policy, adopting a new CSR initiative or the handling of a crisis, it communicates, or sends a signal, to stakeholders and the general public about the underlying qualities of the organization, including its character, reputation, and culture (Connelly, Certo, Ireland, & Reutzel, 2011).

The writings and speeches of pioneering corporate communications executive Arthur W. Page is the inspiration for the organization’s Page Principles. The second Page principle, only after “tell the truth,” is “prove it with action” (Arthur W. Page Society, 2017b, para. 3). According to this principle, “public perception of an enterprise is determined 90 percent by what it does and 10 percent by what it says” (Arthur W. Page Society, 2017b, para. 3). While the exact ratio is debatable, the general advice is hard to debate and it is backed by empirical research (see the voluminous literature on signaling theory and related perspectives): actions often speak louder than words.

A real-world case example is illustrative. In April 2017, United Airlines faced a global firestorm following the decision to involuntarily remove an already seated passenger, Dr. David Dao, from one of its planes, due to an overbooking situation (Mutzabaugh, 2017; Tangel & Carey, 2017). Passenger videos of Dr. Dao being forcefully dragged off the flight went viral via social media and cable news. There was speculation that the initial widely criticized statements issued by United in the aftermath might have been different if the company’s CCO had reported directly to the CEO rather than United’s head of human resources (McGregor, 2017). Perhaps more important than reporting relationships is that the CCO is a trusted and valued source of advice to the C-suite, and has direct access to the CEO during such events (Neill, 2015).

What is not debatable is that, in the weeks following the crisis, United CEO Oscar Munoz sent a letter to all customers titled, “Actions Speak Louder than Words” (United Airlines Inc., 2017).
In the letter, Munoz blamed the situation on corporate policies that were “placed ahead of our shared values” and said the airline could “never say we are sorry enough for what occurred, but we also know meaningful actions will speak louder than words” (United Airlines Inc., 2017, para. 4). More specifically, in response to the crisis, United announced 10 new or updated customer service policies as part of its “Review and Action Report” and reached a settlement with the injured passenger (Mutzabaugh, 2017; Tangel & Carey, 2017). Once again, prove it with action.

CHALLENGES AND OPPORTUNITIES FOR THE CCO

There is perhaps a fixation at times on the CCO officially becoming a member of the C-suite and having the proverbial “seat at the table.” Public relations scholar Marlene Neill (2015) calls this “an example of tunnel vision” (p. 130). Many successful CCOs and senior strategic communications executives operate within organizational structures that do not have direct reporting lines to the CEO. The future of the CCO and strategic communications as a whole relies on earning (and keeping) a role as a trusted advisor to the C-suite so that corporate actions and words are better aligned behind strategies that create both financial and social value (Bowen, 2008, 2009). This can happen with the CCO officially a member of the C-suite or the CCO advising the C-suite and CEO from outside of the room. What is most critical is that it happens.

Business is being transformed and, with it, the structure, functioning, and integration of departments (Haran & Sheffer, 2015; USC Annenberg Center for Public Relations, 2017), and the perceived value they provide to the enterprise. With the growing integration of communications and marketing, and an increased focus on data analytics to measure, demonstrate and improve business results, the Chief Marketing Officer’s (CMO) influence is also on
the rise and their scope is broadening (Daniels, 2015). A possible outcome of such integration is that public relations could become more of a sub-set of marketing (USC Annenberg Center for Public Relations, 2017). On a related note, in a world in which every company is becoming a technology company, the influence and scope of the Chief Technology Officer (CTO) and Chief Information Officer (CIO) is also growing within many organizations.

There is no doubt that the CCO and strategic communicators bring unique perspectives and value to the table for the C-suite. A well-established communications function offers forward-looking 360 degree views and insights into all of an enterprise’s stakeholders, from employees and suppliers to policymakers and other opinion leaders. Such perspective is unique and important in protecting and growing brands and reputations in a stakeholder-empowered world. But every corporate function feels it is valuable and worthy of counseling the C-suite and sitting on executive-level committees. Without improving and expanding the skills and capabilities of its future leaders, strategic communications and public relations could be at a risk of being diminished in this changing business landscape (Groysberg, 2014).

Business acumen is not a magic elixir for the profession, but it certainly must be an important factor. If communicators are serious about approaching their jobs as business people with an expertise in communications, then the entire field — from educators and students to mid-career professionals right up to senior leaders — needs to re-double its focus and investment in sharpening its business skills. To be a valued partner to the C-suite and senior leaders means offering sound strategic thinking and communications execution around business problems.

The more than twenty very accomplished CCO contributors found in the following pages are ready and willing to be your professors. So are their C-level colleagues. Class starts now.
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