



# LOBBYING »» *for Good*



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# LOBBYING FOR GOOD

**Over the past decade, major companies have faced extraordinary pressure to actively engage in resolving social issues and challenges. Entreaties for corporate assistance — usually in the form of grants requests — used to pass through community relations departments, but now they are reaching the C-suite directly. And what employees and advocacy groups are asking for isn't necessarily money, but a much higher level of corporate commitment and leadership.**

Consequently, companies have had to rethink the way they identify, evaluate and respond to social issues. What has emerged is a new way of vetting engagement opportunities that considers a company's entire relationship with the issue: how it affects their reputation, employee satisfaction, public policy priorities and customer relationships.

This report details how companies have changed the way they think about the issues themselves, processes used to evaluate them and tools used for effective engagement. It also includes case studies that provide examples of companies that have taken up social issues in different contexts. What we find is not only a new way to respond to demands for social change, but an effort among major companies to initiate change that benefits society, the company's stakeholders and the core business.



## CASE STUDY

# Five Years Ago: Responding to a Social Issue Crisis in Real Time

While the environment for corporate engagement in social issues has been changing for some time, engagement among some major American companies reached a critical mass when North Carolina's legislature passed and the governor signed North Carolina HB 2, which prohibited transgender people from using public bathrooms that correspond with their gender identity. After the legislature refused to repeal the law, leaders from over 200 major companies joined the Human Rights Campaign (HRC) in [signing a letter](#) asking leaders in the state to repeal the law — an unprecedented response.

"The fight over North Carolina HB 2 in 2016 was a milestone for corporate support of social causes," said Public Affairs Council President Doug Pinkham. "Corporate engagement in North Carolina was an important step in many ways. It demonstrated the power of strong business opposition to a controversial law. And it also showed that companies headquartered across the country were willing to help nationalize a state issue if a law violated their core values."

Among companies signing the letter were some that had not gotten involved in social issues in the past. By examining corporate reactions to the law and comparing those responses to the way

companies respond now, we can better understand the fast-changing landscape of corporate involvement in social issues.

Pfizer, which is headquartered in New York but has two major sites in North Carolina, was one of the first companies to act in response to North Carolina HB 2. A local employee was watching the issue closely and raised the issue with Pfizer's LGBTQ employee resource group. The executive sponsor of the group encouraged the company to take a public position opposing North Carolina HB 2. As a result, Pfizer decided to sign the HRC letter and provide a public explanation for its response. Because the law passed before most in North Carolina knew it existed, Pfizer also lobbied to repeal the bill after it was signed into law. These efforts were eventually successful when the law was repealed in 2017.

Pfizer is not new to advocacy about LGBTQ rights. In the years prior to 2016, Pfizer earned a perfect score on HRC's Corporate Equality Index, which evaluates companies based on their policies regarding LGBTQ employees, customers and investors. This rating reflects the fact that Pfizer has long provided benefits to couples regardless of sexual orientation, covers medical procedures deemed medically necessary for employees who

are transgender, and includes LGBTQ in its supplier diversity program. As with many companies interviewed for this report, engagement in North Carolina HB 2 was a way to align internal business processes, communications and government relations activities.

Companies may get involved in certain social issues because of stakeholder concerns and a potential for reputational risk. Employees are the most common stakeholder that companies reference for cues on social issue engagement. According to a 2021 survey by the Public Affairs Council, Pfizer's response was symbolic of this tendency to look to employees for cues, as well as looking at a company's core principles.

Although Pfizer's experience engaging in North Carolina HB 2 was largely positive, many on the Pfizer team saw opportunities for improvement in the way it considers engagement in social issues. The team began by streamlining the internal process of evaluating concerns on social issues and to ensure Pfizer was able to evaluate concerns equitably so that each request would be vetted in the same way.

As a result, Pfizer developed a process that provides colleagues with the opportunity to reach out to their managers when they think the company should get involved in social issues. Once supervisors receive these requests, the issue is elevated to the executive leadership team, which evaluates each request based on a list of set criteria. Employees may also approach the executive leadership team member representing the employee's department if they would like to avoid involving their direct supervisor.

Pfizer's experience with North Carolina HB 2 highlights some of the challenges major companies face when deciding whether, when and how to engage in what are traditionally considered social issues. Companies must consider the needs of a variety of different stakeholder groups, including executives, shareholders, employees, customers and lawmakers. Decision-makers must determine whether to put the company's weight behind the issue, and if the firm decides to engage, they must also decide which tools the company will use to facilitate this engagement. They must determine whether to respond publicly or act behind the scenes, and they must identify the right timing for taking action. This report explores these choices while detailing the best practices that are evolving to help facilitate this decision-making process. ■



## UNDERSTANDING THE NEW LANDSCAPE OF SOCIAL ISSUE INVOLVEMENT

With its eyes wide open, Pfizer jumped into the fray when it contributed to the lobbying effort to repeal North Carolina HB 2. After a number of other well-known companies signed on, additional firms soon followed. Since that time, companies that had historically been cautious about social involvement have begun to engage in such issues.

“Corporations used to have their lane, but the lines have been blurred,” said Jessica Strieter Elting, Director of Political Affairs for Aflac. Aflac did not engage in the debate around North Carolina HB 2 and generally shied away from taking positions outside of traditional business and insurance-related issues, but Aflac’s posture toward social issues has changed over the past few years. These changes are reflected in Aflac’s updates to key human resources policies and product changes in

order to be more inclusive of LGBTQ people. As a result of these changes, Aflac’s score on the Human Rights Campaign’s Equality Index jumped 15 points.

These changes in company operations were followed by increased involvement on the public side of the LGBTQ rights debate. In 2021, Aflac lobbied in favor of establishing a new hate crimes law in its home state of Georgia and joined the Human Rights Campaign’s Business Coalition for the Equality Act on the Federal level. Aflac also expanded employee engagement in Pride Month in 2021, making the topic more visible and accessible. The sequencing of these events was an important factor for Aflac. “For us, the internal policy changes and conversations come first, then advocacy and community engagement,” Strieter Elting said. This “walking the walk” approach was common among



For us, the internal policy changes and conversations come first, then advocacy and community engagement.

– Jessica Strieter Elting, Aflac



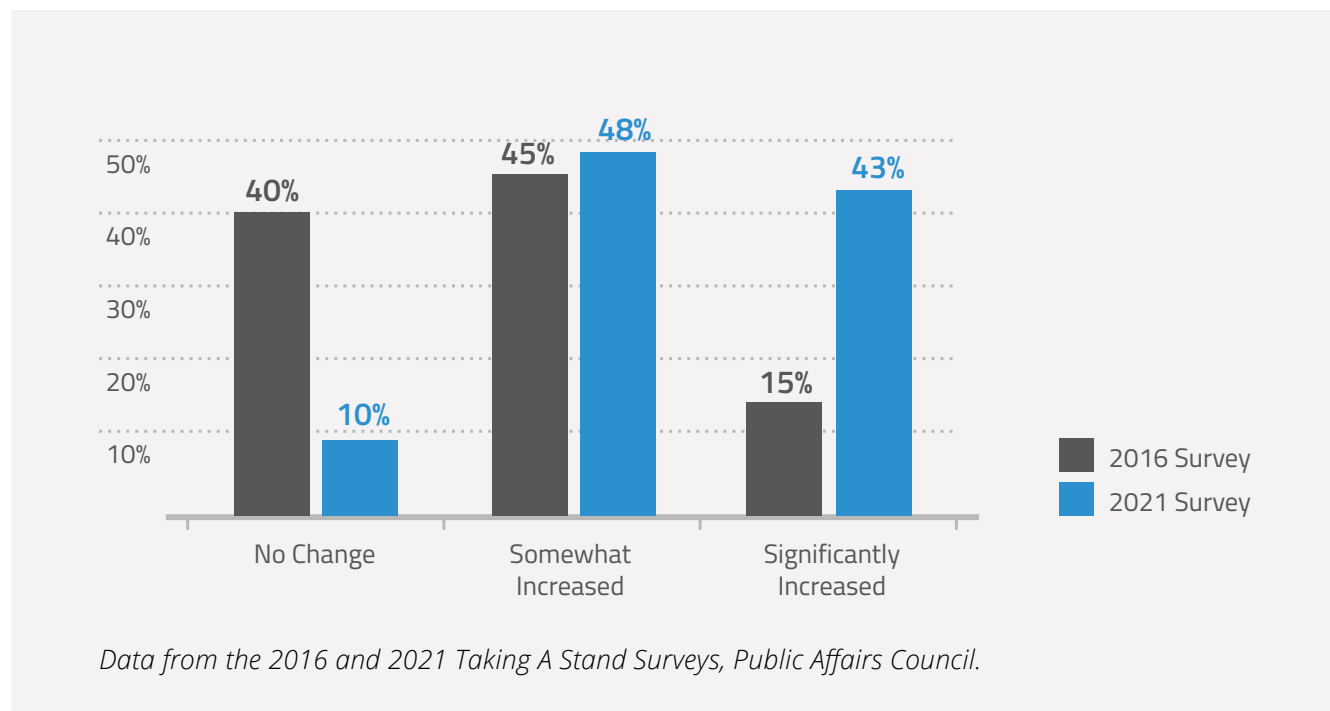
companies interviewed for this report. Among those interviewed, it was rare for a company to take a political position on an issue without taking steps to first address the issue internally in its business.

Aflac’s increased involvement in LGBTQ issues mirrors changes in major companies over the past decade. In 2016, in [Taking a Stand: How Corporations Speak Out on Political Issues](#), the Public Affairs Council reported that 60% of companies surveyed had experienced increased pressure from stakeholders to get involved in

social issues, and 74% of respondents predicted that this pressure would increase over the next several years.

This pressure coincides with an increasing number of major companies taking official positions on social issues. “It used to be only a few companies that got involved in social justice issues, and now there are hundreds that get involved,” Strieter Elting remarked. A recent survey among Public Affairs Council members reflect this shift.

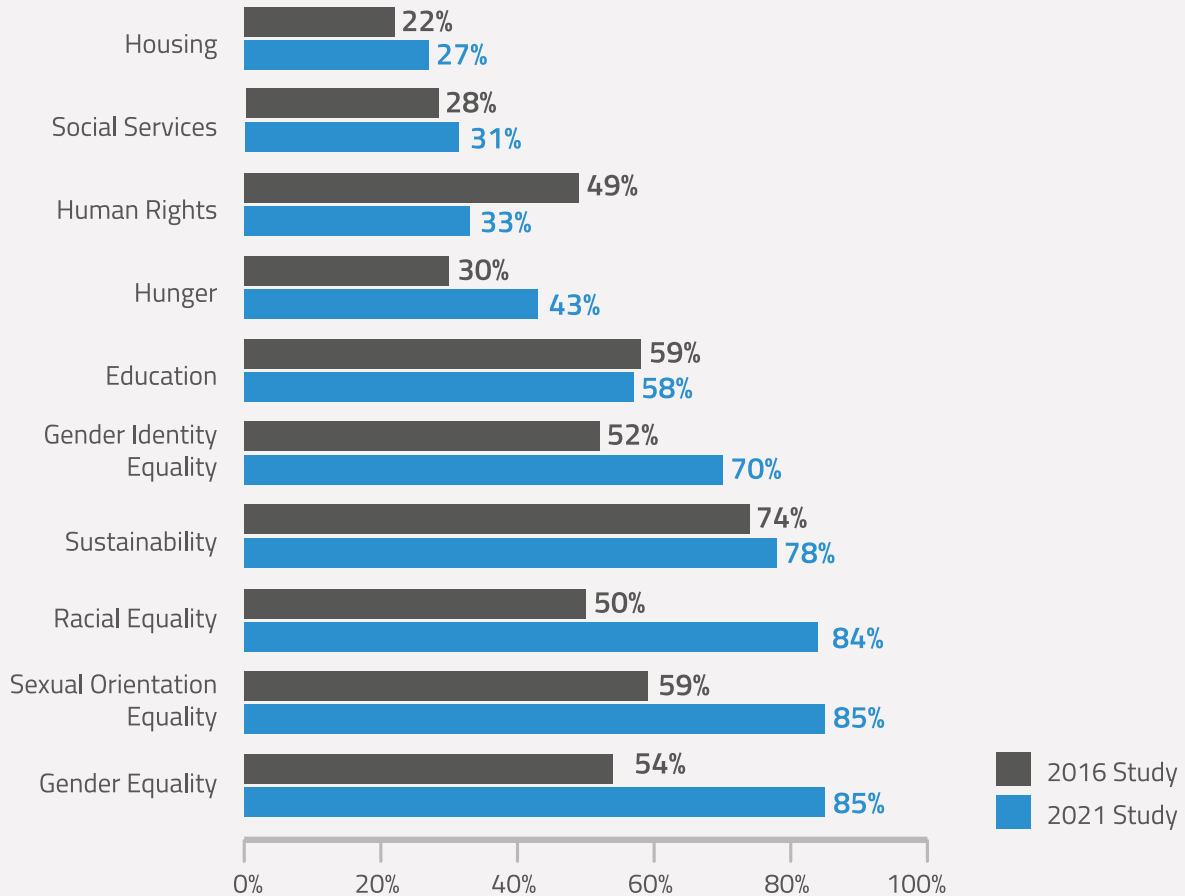
**Figure 1:** Has Pressure to Get Involved in Social Issues Increased?



In July 2021 the Public Affairs Council surveyed government affairs executives to learn how corporate involvement in social issues has evolved over the past five years. Of the 82 respondents,

91% indicated that pressure to get involved in social issues has somewhat or significantly increased.



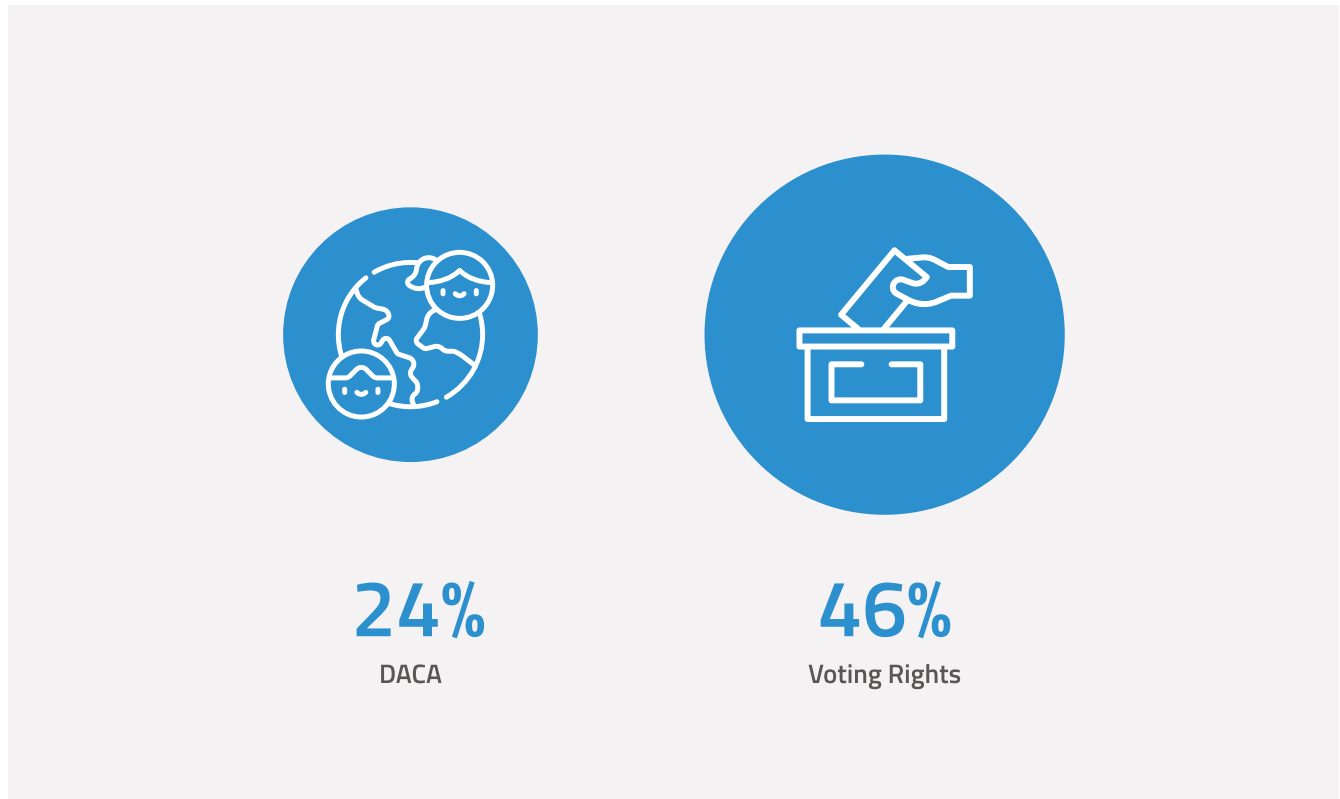
**Figure 2: Corporate Involvement By Issue**

*Data from the 2016 and 2021 Taking A Stand Surveys, Public Affairs Council.*





**Figure 3:** Percentage of Companies Involved in DACA and Voting Rights, 2021 Taking a Stand Survey



Given the increased attention to immigration and voting rights over the past several years, respondents answered two new questions on those topics in 2021 that did not appear in the 2016 survey. Twenty-four percent (24%) of

respondents indicated their companies advocated in favor of Deferred Action for Childhood Arrivals (DACA), while nearly half of respondents engaged in favor of issues related to voting rights.





# MAKING THE DECISION TO GET INVOLVED

**As corporate reactions to North Carolina HB 2 illustrated, the first major decision most companies encounter is deciding whether to get involved in an issue. Until recently, most firms considered these issues on a case-by-case basis inside the business unit where the request was received. Those vetting the requests used narrow criteria to consider the issue.**

As companies moved from this ad hoc method to a more comprehensive approach, two primary obstacles became clear: the tendency for decisions to be made in corporate silos and a lack of decision-making tools for involvement in social issues. The case studies below provide illustrations of these challenges and how two major companies modified their vetting processes to adopt more consistent, transparent and comprehensive methods of engagement.

## CASE STUDY

### Breaking Down Silos



**W**hen the [Defense of Marriage Act was in front of the Supreme Court](#), an LGBTQ rights coalition approached Southwest Airlines' legal department to encourage the company to sign on to an amicus brief in support of overturning the law. Reviewing the request from a purely legal perspective, the legal team determined the decision would have no impact on company operations and, as a result, declined to sign the brief.

A few days later, a journalist from a national LGBTQ media outlet contacted the airline's public

relations department about the decision. Some of Southwest's competitors had signed the brief, and the reporter wanted to know why Southwest had declined. Eventually, the media attention regarding the decision got the attention of senior company leaders, which resulted in a high-level conversation about how such decisions are made at Southwest.

As with many other companies, Southwest handled decisions on a case-by-case basis by a single department, which sometimes led to inefficient and narrowly drawn decisions. "This all

drove us to have a more holistic structure to look at these types of issues,” said Linda Rutherford, Southwest Airlines’ executive vice president for people and communications.

As a result of Southwest’s desire to consider issues both efficiently and holistically, the airline’s senior leadership team adopted a formal process for evaluating requests for company involvement. The goals were two-fold: streamlining the process for evaluating requests while involving individuals from all pertinent business units to ensure a holistic look at each issue. These changes would ensure a faster initial response, but also allow people from all relevant areas of the company to weigh in on the issue. The approach would enable Southwest’s leaders to understand how the issue affects all aspects of the company and its many stakeholders before reaching a decision.

In 2014, Southwest initiated the Social Topics Committee made up of senior representatives from several departments including human resources; government affairs; community outreach; communications; legal; marketing; investor relations; diversity, equity and inclusion; and frontline employees. These departments not only represent different parts of the business, but they are also able to speak for each of the company’s major stakeholder groups.

When the company receives requests for involvement, the committee convenes within 12 hours to evaluate the request. Each member of the committee answers questions related to impact on employees and business, reactions by customers, public perceptions, impact on relationships with elected officials, the source of the request, brand and reputational risk, and the timing of the decision.

Based on the answers that each committee member provides to these questions, an algorithm indicates whether the company should engage in the issue, abstain or discuss further. This process can take place relatively quickly, which allows the committee to decide on an initial recommendation to the CEO with minimal time lag. If committee members decide to engage in the issue, they then must decide on an initial response, which typically takes the form of signing onto a letter, a statement by the CEO, contributions to nonprofit organizations or some other public response. Each response recommendation is accompanied by a communications plan that recommends ways to talk about the issue both internally and with the public. After the initial response, individual business units take on the long-term response to the issue.

Soon after forming the Social Topics Committee, key decision-makers sought out a topic area for which Southwest could take ownership. The company looked for an issue in which corporate involvement was limited so that Southwest could make a real difference through its engagement. NGOs had been approaching airlines asking them to address the issue of human trafficking, which often takes place via commercial airlines. At the same time, after noticing potential trafficking cases during the course of their work, Southwest flight attendants had requested information and training on how to spot human trafficking.

The Social Topics Committee realized that Southwest could make a unique contribution in this area since commercial airlines are on the front lines and could have an immediate impact. As a result, the company partnered with national nonprofit organizations to provide training to employees on

how to spot human trafficking while it is happening and what to do when they observe it. The company has also provided financial support to national nonprofits working on the issue and has advocated for policy changes related to security checks to cut down on trafficking.

This focus on the issue of human trafficking has helped Southwest make an impact on an issue that directly affects its employees and other stakeholders. In addition, taking ownership of the issue has allowed the company to be proactive and focus its attention in an area where it can make a real impact. This issue focus also helps avoid the temptation to get involved in every issue that arises

when companies begin to consider involvement in social issues. Focusing chiefly on a single issue helps the company stay strategic, proactive and effective.

Southwest isn't the only company to facilitate conversations across business units when evaluating social issues. After the murder of George Floyd, Aflac convened a working group with a mission of addressing social justice issues, and a number of other companies have designed processes that encourage cross-disciplinary collaboration in order to ensure coordinated decision-making. This approach ensures that the company is consistent in addressing social issues so that each request is treated with the same level of care. ■

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## CASE STUDY

# Decision-Making Tools to Promote a Holistic Approach to Social Issues

At about the same time Southwest was organizing its Social Topics Committee, Target Corp. engaged in a similar project with the goal of identifying how it would approach social issues in the long term. As a company with 400,000 employees and operations in 50 states, Target was looking for a way to leverage its size and scale to address societal issues. Stakeholders would regularly request that Target engage on a variety of social issues, and company leaders needed a way to consistently evaluate these requests. The goal was to identify issues for which the company could have the greatest impact.

When considering social issues, decisions are always grounded in the company's culture. In Target's case, the goal is to foster a culture of caring, growing, and winning together. All decisions are driven by this core set of values.

Target uses a multidisciplinary approach when considering requests for involvement. The company's standing committee with a designated set of executive leadership team members meets regularly to consider issues and opportunities. The task force is supported by a cross-functional team made up of leaders from the risk and reputation team; government affairs; communications; legal;

human resources; diversity, equity, and inclusion and others.

When these groups convene, they regularly perform risk assessments considering a variety of factors to evaluate issues. Using these factors consistently allows the company to use the same basic framework for evaluating all issues while allowing the corporate values and culture to take center stage. The factors include:

- **Impact:** When examining impact, the team evaluates the individuals and groups that are most affected by the issue including employees, customers, and external stakeholders. The team assesses whether these individuals and groups would respond favorably or negatively to potential positions or outcomes, what form that response might take and consider how severely they would be affected by the issue.
- **Likelihood:** With this factor, the team evaluates the likelihood that the event could materialize. They also consider what may cause the event to occur and the degree to which the company might be associated with such an event.
- **Timing:** Finally, the team evaluates how quickly the risk is likely to materialize. Understanding the timing associated with impacts helps the team create risk mitigation plans.

The standing committee then reviews these assessments from a strategic perspective and often conducts scenario planning to weave in their business perspectives. Using the risk lens for these issues allows the leadership team to see the potential positive and negative outcomes of engagement. Looking at risks from all angles and including perspectives across multi-disciplinary teams — including media response, impacts on the brand and potential criticisms — allows the company to make an informed decision about how to move forward. “The element of ‘no surprises’ is important,” said Erin Rath, Target’s vice president, enterprise risk and reputation. “Having a coordinated group that can evaluate risk and connect dots across our company allows leaders to make decisions grounded in our company’s culture.”

Recently, Target committed to advancing racial equity as a company-wide priority. As a result, the leadership team created the Racial Equity and Change (REACH) committee which is leading changes across the entire company — including building a more inclusive work environment for

employees, creating an environment where Black customers feel more welcome and finding new ways to support Black communities across the country. Making these changes required some introspection. “It involves exposing where we have progress to make, and focusing on how we can take action, using our size and scale, to drive change,” said Rath.

In addition to changes in the company’s business operations, Target identified opportunities for more intentional civic and public policy engagement around issues of racial equity, choosing to focus on the issues of economic opportunity, education and voting. As a result, Target expanded its get-out-the-vote efforts, particularly in communities of color and with Target teams with a large number of employees of color. The company also supports the John Lewis Voting Rights Act and works within a coalition to advocate for voting rights at the state level. “The factors we use to evaluate issues allow us to understand the impact of our decisions and consistently remain grounded in our culture and values,” said Rath. ■



Having a coordinated group that can evaluate risk and connect dots across our company allows leaders to make decisions grounded in our company’s culture.

– Erin Roth, Target

# BUILDING AN ENGAGEMENT FRAMEWORK

Southwest and Target are not alone in their approach to social issue engagement. Major companies increasingly rely on new processes to provide a standardized way of evaluating issue involvement opportunities. While each company profiled in this report has developed its own approach for considering social issues, a set of best practices has emerged over the past several years. These practices are detailed in The Public Affairs Council's [Strategic Guide to Social Issue Engagement](#), which provides a framework for companies considering implementing a process for identifying issues, considering engagement and implementing plans. The framework provides the following suggested steps:

## » Creating a formal social issues engagement team

As demonstrated with Target's Leadership Team and Southwest's Social Topics Committee, this group should oversee the process of evaluating social issues for company involvement. Team members should include leaders of key business units and enable the company to consider issue engagement efficiently but holistically. Ideally, this group can examine the way that each of the major business units encounters the issue so that the team can both assess risk and determine the proper steps forward from each part of the business. Consider including senior leaders of teams that represent a cross-section of employees, including:

- Key business functions
- Legal
- Communications
- Government relations
- Diversity, equity and inclusion
- Environmental, social and governance
- Investor relations
- Community affairs
- Human resources

The social issues engagement team should meet regularly and should consider both immediate needs and emerging issues. They should perform risk assessments on potential active issues and test the process using made-up scenarios that serve as practice exercises. Consider how to make the team accessible to employee resource groups and other key stakeholder groups to allow for diverse perspectives.

## » Establishing Guidelines and Procedures

The social engagement team should develop a framework for analyzing issues based on a core set of principles. This approach will allow the committee to give each issue the same attention and ensure that corporate actions on social issues are in sync with other areas of the business.

While some frameworks are specific and detailed, others provide general guidelines for consideration of issues. For example, one company interviewed has each member of the team answer a series of questions about the issue. The answers to those questions are fed into an algorithm that provides guidance on whether or not to engage in the issue. Another company provides a list of



general questions about how the issue affects the company. The team answers each question as a group and uses the answers to make a subjective assessment about whether to engage.

The type of framework companies develop will be driven by culture. Some companies are more “left-brained” than others, for example, and this type of culture will require more rigorous analytics. “Right-brained” companies may want to focus on ensuring they receive helpful feedback from all major stakeholders before and after they get engaged in an issue. In either type of culture, it’s important that the company commits to transparency and accountability. Leaders who represent all interested stakeholder groups should be included in the process and have the ability to provide input.

### » Assess Issues Strategically

When the team takes up issues, there are many factors to consider before deciding whether or not to engage. Key considerations include:

- Is the issue aligned with corporate values?
- Which stakeholder group is requesting the action?
- Does the company have a track record on the issue?
- Does the issue directly affect the business?
- Are there tie-ins with company products or practices?
- Are there other companies advocating in this area?
- What is public opinion on the issue?
- How salient is this issue in the news media?
- Is this issue a top priority for any stakeholder group?
- What is the level of risk involved with engagement in this issue?

As the company engages in this process, tools are available that can help answer these questions. It is helpful to research prior company involvement in the issue, social media analytics, conventional media trends, employee surveys and reputational polling to help the team make an informed decision.

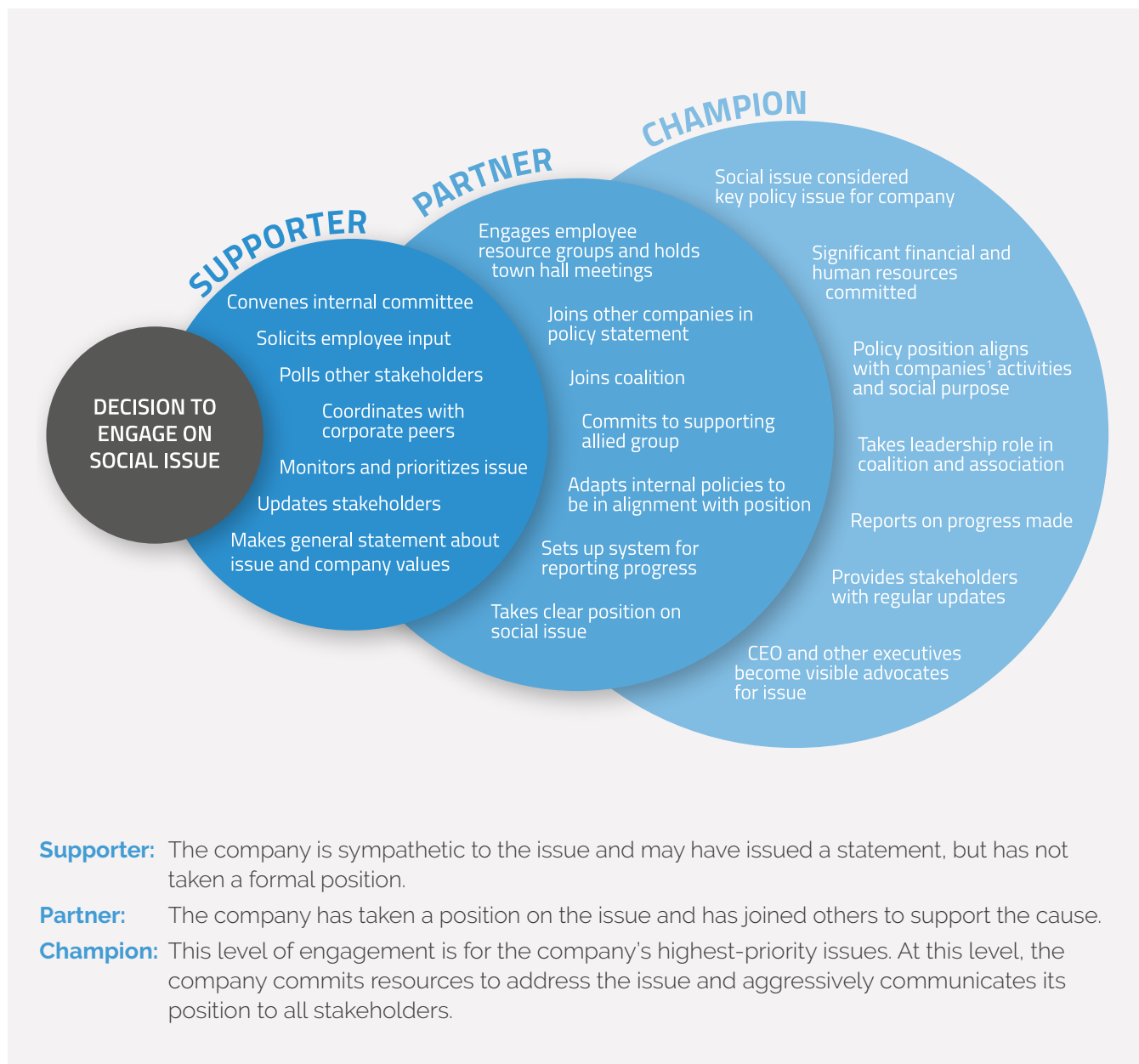
Stakeholder mapping can also be a useful tool to guide decision-making. When mapping stakeholders, consider employees (both rank-and-file and executives), retirees, vendors, shareholders, customers, policymakers and the general public. For each group, consider how the issue affects the group, the salience and intensity of the issue within the group, possible negative reactions, branding and positioning concerns and whether the issue is controversial with any particular subgroup.

**Stakeholder mapping can also be a useful tool to guide decision-making. When mapping stakeholders, consider employees (both rank-and-file and executives), retirees, vendors, shareholders, customers, policymakers and the general public.**

## » Determine the Level of Engagement

Once the committee agrees to get involved in an issue, the next step is to identify the proper level of engagement. The team can also use the questions detailed above to determine the level of engagement. Questions about alignment with corporate values, issue salience and timing, and impact on the business often have the greatest impact on determining the level of engagement a company takes. In its framework for engagement, the Public Affairs Council outlines three levels of engagement and actions companies can take relative to the scale of their involvement:

**Figure 4:** Three Levels of Corporate Engagement in Social Issues



Questions about the level of engagement of others in the corporate community may also influence levels of engagement. For example, some companies may prefer engaging at a high level only when other companies are also active. Other companies may seek to engage only when there's an absence of corporate activity in order to maximize their impact or encourage others to follow.

### » Executing on the Issue

The team should develop a list of next steps for any issue requiring proactive engagement. While this stage should include a basic communications plan, companies aiming for company-wide alignment on the issue should include plans for other parts of the business as well. These plans may cover activities such as:

- Making changes to products, processes or services to align with articulated values
- Revising human resources or supply chain policies
- Conducting government affairs activities, either through a trade association or the company's internal team
- Expanding actions taken by the corporate social responsibility team
- Making changes to corporate strategy

Aligning these activities will ensure the company is able to speak authentically and authoritatively on the topic. The process will also serve to minimize criticism by the media, issue groups, the public and related stakeholders by ensuring there are consistent policies and practices across the company.

It's important to remember that no matter how thoroughly the company prepares for engagement, it may still face scrutiny. A systematic approach to planning, however, will help ensure that responses to criticism are proactive and constructive. The process will also help the team focus on the most important stakeholders for each issue so they can be contacted proactively and any concerns can be addressed. While the company may not be able to achieve universal agreement on the issue, being transparent and consistent will help build trust and dialogue, even among critics.

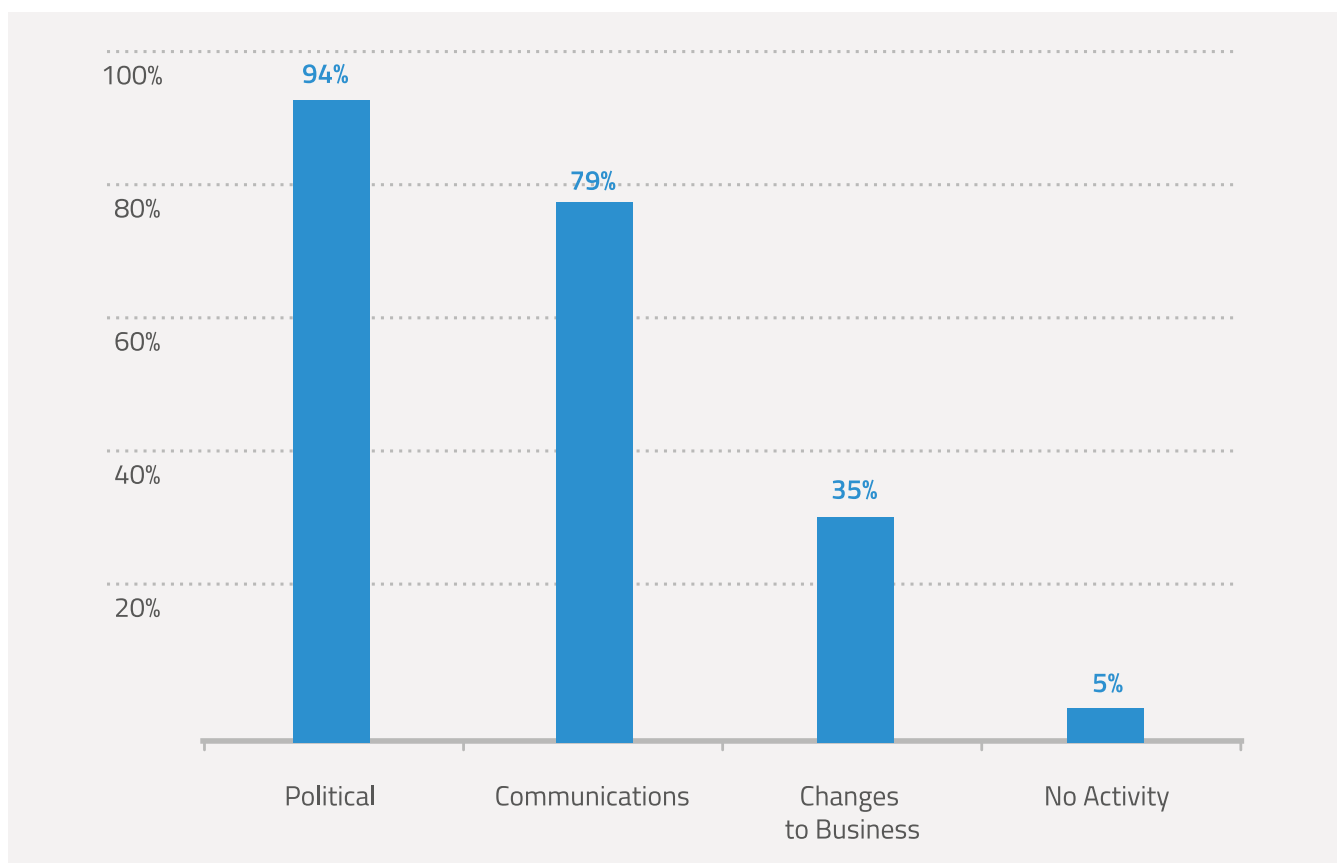




# UNDERSTANDING THE TOOLS OF ENGAGEMENT

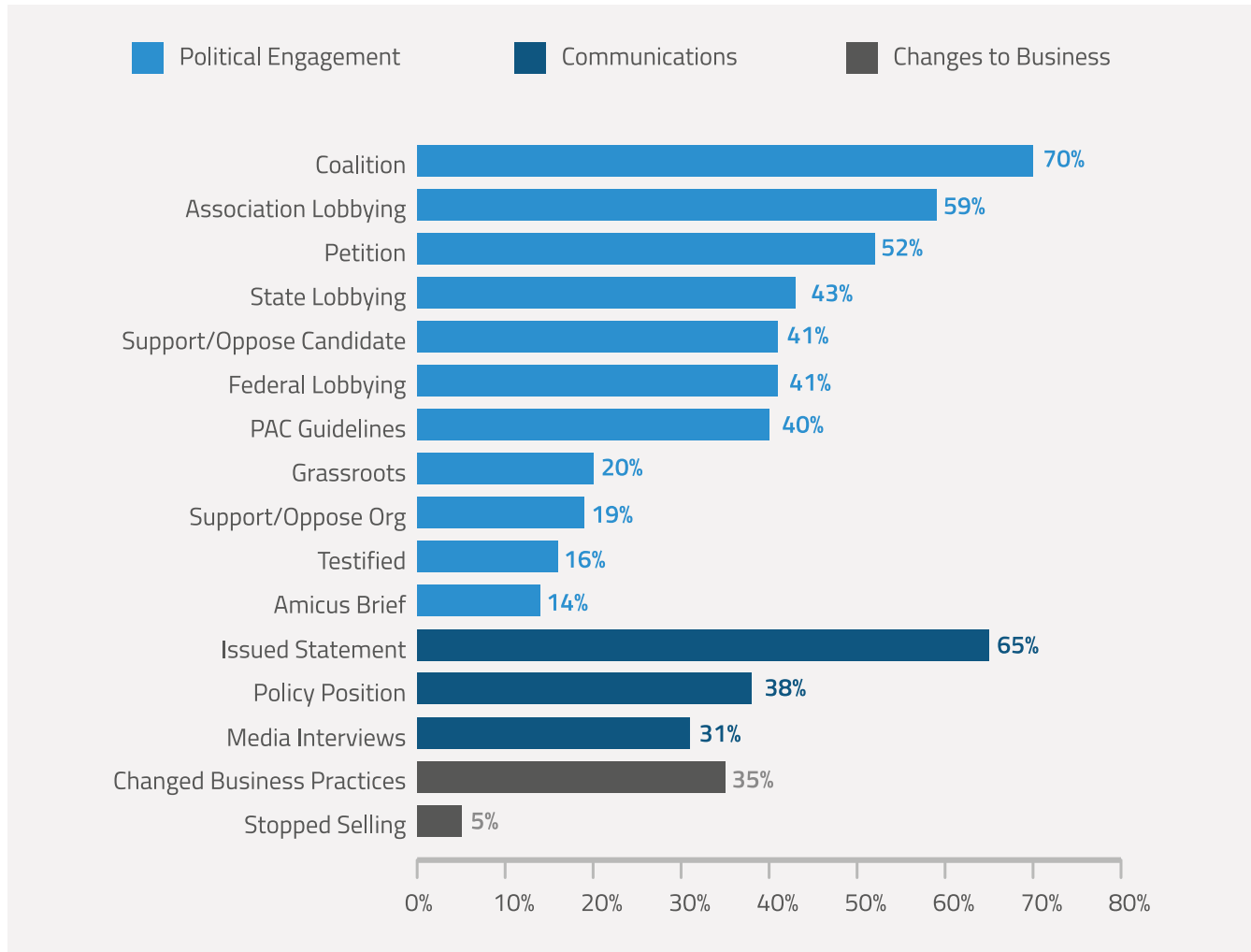
Once the decision is made to engage in an issue, the company must then decide which strategies and tactics it will use to support its efforts. Organizations employ a wide variety of strategies, and respondents to the 2021 survey reflected that fact. Generally, activities fall into three categories: political, communications and business-oriented actions.

**Figure 5:** Types of Activities for Supporting Engagement, 2021 Taking a Stand Survey



While companies engaged in all three of these actions to some extent, political activities were by far the most common, with 94% of organizations using one or more related tactic. Communications activities were also popular, with 79% of respondents indicating they engaged in such activities. Changes in a company's business operations were also made, but only by about a third of respondents.

**Figure 6:** Company Activities Taken to Support Social Issue Engagement, 2021 Taking a Stand Survey



## Political Engagement

Political engagement activities, listed in light blue in Figure 6, include joining a coalition, lobbying, signing petitions, supporting or opposing candidates and organizations, signing amicus briefs, PAC-related activities and grassroots engagement. This type of activity was the most prevalent among respondents of the 2021 Council survey.

When engaging politically, leaders often must decide whether to join with other groups to push for change or to act alone. A variety of factors influence

this decision, including corporate culture, the results of the company's issue assessment process and its appetite for risk. Some organizations prefer the cover provided by coalition efforts. Others, such as Microsoft, assess the landscape when deciding on their approach. "We have a principle that we will stand together when we can, but stand apart when we must," John Galligan, Microsoft's general manager of public affairs, remarked. On some issues, Microsoft participates in broad coalition efforts, but on some high-priority issues when there

is a real need, as with its engagement on Deferred Action for Childhood Arrivals (DACA), the company may take a more direct action.

Joining other like-minded organizations as part of a coalition or through an industry trade group was the most common way for companies to engage politically, according to the 2021 survey. Participation in these group activities provides safety in numbers, which decreases the level of risk involved with engagement. Joining efforts also can be a signal to policymakers that a critical mass of organizations has decided to put its weight behind an issue, as witnessed in the coalition opposing North Carolina HB 2 in 2016.

Traditionally, direct lobbying by in-house staff and grassroots engagement have been reserved for priority economic policies. In the 2021 survey, about one third of companies engaged in social issues through direct lobbying. Sometimes, these efforts have been public, as when [IBM lobbied in 2017 in favor of a path to citizenship for so-called “Dreamers.”](#) Other lobbying activities have occurred behind the scenes.

Another common practice noted in the 2021 survey involved changes in PAC contribution guidelines. In fact, approximately one-third of companies made revisions to their PAC contribution guidelines. This represented a significant increase compared to only 11% in 2016 — most likely because of the events at the U.S. Capitol on January 6, 2021, when, on the day of the insurrection, 147 Republican members of Congress did not vote to certify election results.

Some companies have also taken steps to increase transparency in their PAC decision-making process. Coca-Cola, for example, posts detailed information explaining its rationale for political engagement (including its [PAC contribution guidelines on its corporate website](#)) and has done so for over a decade.

## Making Public Statements

The second most frequent methods for engaging in social issues are communications activities, which includes media interviews, the development of official policy positions and issuing official company



We have a principle that we will stand together when we can, but stand apart when we must.

– John Galligan, Microsoft

statements. The vast majority of respondents to the 2021 survey (79%), engaged in these types of activities to support social issue engagement.

While communicating support for an issue can be a powerful way to use a company's brand to promote change, this tactic can appear hollow unless the firm has engaged in the issue in other ways. "Communication is a critical component of any change strategy; but you have to have principles underpin what you will do and what you will say," remarked Microsoft's Galligan. "In Public affairs we have a natural instinct to have the right message for something, but we also have to ensure there is substance behind it."

## Making Changes to the Business

About one-third of companies indicated they changed their business practices in response to social issues. These changes may include modifying the products a company sells, altering the way a company produces a product or revamping the hiring process.

Companies can also affect social change through modifications to their supply chain management. After Microsoft made changes to its human resources policies to provide paid sick and parental leave to employees, company leaders wanted to encourage broader adoption of these types of

policies. Taking a cue from the federal government's procurement process, Microsoft changed its purchasing process to require all companies contracting with it to offer paid sick and parental leave as well.

While these changes were implemented a few years ago, Microsoft continues to use similar strategies to address other social issues. To support racial equity work, the company is currently implementing policies that encourage the hiring of Black-owned consultants and suppliers. When considering how to influence social change through modifications to company policies, it helps to think outside the box. "We have to look at the entire ecosystem," said Galligan. "Your influence in that ecosystem is more profound than you think."

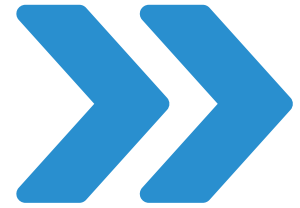
Public support is high for companies taking these types of actions. In a recent Morning Consult survey, supermajorities of respondents supported companies working within their organization to take care of their employees (93%), contribute to local communities (89%), act in the best interest of society (89%), address racism and economic discrimination (79%), promote diversity and inclusion (86%) and take actions to protect the environment (89%). Respondents supported these actions over political actions like influencing public policy (49%) or getting legislation passed (45%).

**Taking a cue from the federal government's procurement process, Microsoft changed its purchasing process to require all companies contracting with it to offer paid sick and parental leave as well.**



## CASE STUDY

# Taking the Lead



Levi Strauss & Co. has a track record for taking the lead in engagement on social issues. In the 1990s, the company was the first in the Fortune 500 to provide benefits to same-sex couples — decades before the Federal government recognized same-sex marriages — and advocated at the state and Federal level for those same benefits for all Americans.

In 2016, after hearing from retail employees with safety concerns, Levi Strauss & Co. decided to take up gun safety as a company priority by publicly responding through an open letter sent to customers asking them not to bring guns into Levi's retail stores, even in states where such activity is legal. Then after the 2018 Parkland, Fla., school shooting, the company stepped up its engagement by advocating directly on behalf of gun violence prevention legislation. Since that time, Levi Strauss & Co. has partnered with organizations such as Everytown for Gun Safety to encourage policy change on the state and Federal levels. The company also set aside \$1 million to support nonprofits advocating for gun safety laws.

Levi Strauss & Co. history of involvement in social issues is driven by its corporate culture. "Our culture includes responsibility to the broader community and leaving the world better than we found it," said Anna Walker, vice president of public affairs.

Levi Strauss & Co. is unique in the corporate world in its desire to move first on emerging issues. Instead of waiting for others to act, it looks for opportunities in which companies haven't engaged and seeks to provide a voice in support for social change in those areas. On issues where there is

already a critical mass, the company tends to let others take the lead.

Levi Strauss & Co. has also implemented an innovative way for employees to be more civically engaged. Unlike traditional corporate grassroots programs in which public affairs staff mobilize employees on an issue chosen by company leaders, Levi Strauss & Co. takes an employee-led approach. Modeled after corporate volunteer matching programs, this process encourages employees to identify issues they care about and get involved in those issues through advocacy, running for office or joining a social movement. The employee can then approach a trained company ambassador to obtain information, training and other resources to help facilitate their involvement.

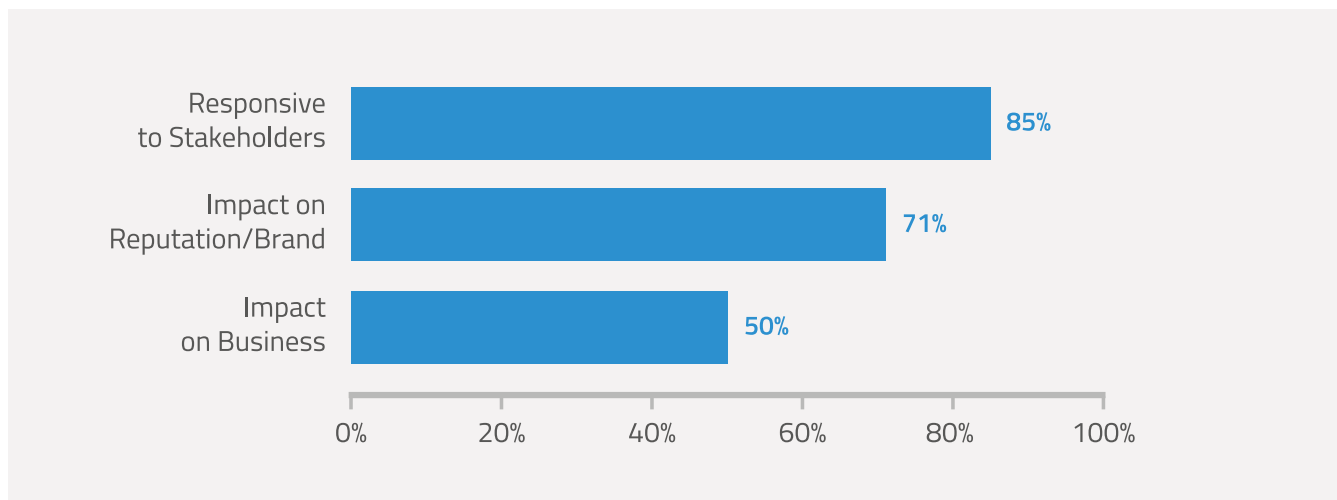
One practice that is not unique, however, is its assessment of internal policies before advocating for change at the governmental level. While the 2021 Public Affairs Council survey showed that only one third of respondents indicated that they engage in this practice, almost every company interviewed for this report said they look inward to change corporate policies before engaging in lobbying and communications on an issue. Leaders indicated a variety of reasons for this practice. First, company alignment in support of policies made their government affairs efforts more credible. Similarly, ensuring that internal policies supported their public stances helps companies address media scrutiny and customer response. Most important, changing company policies can result in real movement toward social change. ■



# THE DRIVERS OF ENGAGEMENT

In the 2021 survey, government affairs executives provided information about the drivers behind their company's decision to get involved in social issues. Nearly everyone indicated that stakeholder requests were a primary factor in determining engagement. Nearly three quarters indicated that brand and reputational concerns drove the decision to get involved, while about half of respondents were motivated by the impact the issue had on the company's core business.

**Figure 7:** Drivers of Social Engagement Among Major Companies, 2021 Taking a Stand survey



Many respondents said more than one of these factors influenced their decision to get involved, a result that mirrors one of the best practices this report covers. Often, the most powerful involvement occurs when an issue is close to home for a company's business, brand and stakeholders. The case studies in this report illustrate that the issues a company places at the center of its social agenda often have all three of these factors — reputation, stakeholder demands and impact on the core business — present.

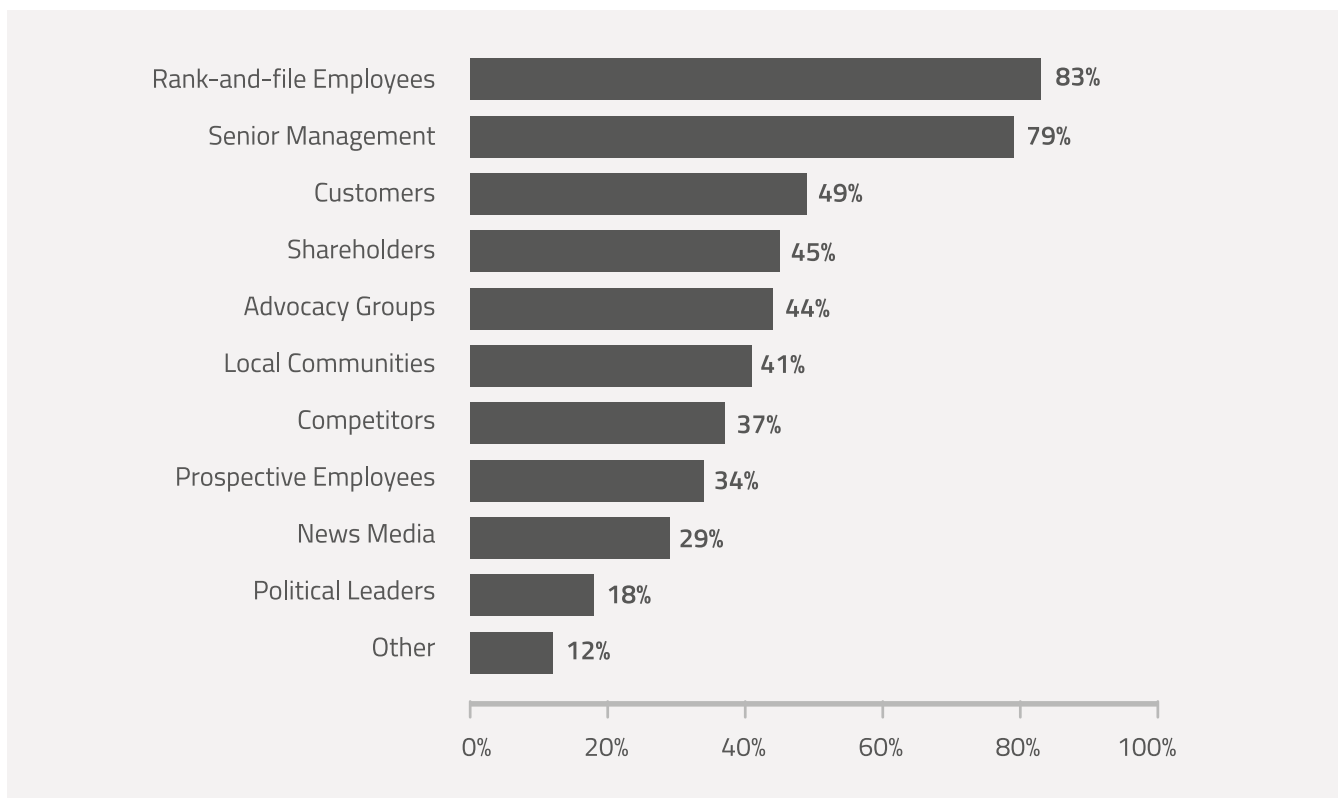


## RESPONDING TO STAKEHOLDER REQUESTS

Stakeholder demands for involvement were by far the most common reason for involvement in social issues, with 95% of respondents indicating that their company got engaged in response to stakeholder requests. Major companies answer to a variety of stakeholders. These may include senior executives, rank-and-file employees, shareholders, suppliers, customers, contractors, interest groups, government agencies and officials, the news media, community partners and the general public. Sometimes, a majority of these groups are placing pressure on a company to engage in an issue; other times it's primarily employees who provide the impetus for involvement.

It's also not unusual for stakeholders to disagree about what position the company should take, or whether it should even get involved. Some in Congress have criticized corporate America calling for the business community to stay in its lane. When these pressures are in conflict, companies must try to balance the needs and desires of diverse groups — an effort helped by the use of cross-disciplinary teams. If a company's goal is to please everyone, however, it may find itself less involved in important issues than it wants to be.

**Figure 8:** The Stakeholders that Drive Engagement, 2021 Taking a Stand survey



## Employees as Stakeholders

In both the 2016 and 2021 surveys, respondents indicated that their companies were most likely to respond to the needs of employees – whether executives or rank and file – when determining whether to engage in social issues. The 2021 survey–companies indicated that both executives (79%) and rank-and-file (83%) employees were likely to influence the company's decision to get involved in social issues.

Evidence of this trend can also be seen in the case studies in this report. Pfizer engaging in North Carolina HB 2 in response to colleague concerns and its commitment to equity and courage and Levi Strauss & Co. changing its policy on guns in stores in response to safety concerns by employees at Levi's stores are just two examples of companies responding to employee concerns.

## CASE STUDY

# When Executives Drive Social Issue Engagement



Headquartered in Columbus, Ga., Aflac has long been supportive of racial equity. At its corporate headquarters, about half of its employees are people of color and Aflac [has long focused on diversifying its board of directors](#). Aflac began supporting the NAACP more than 50 years ago and the Congressional Black Caucus Institute in the 1980s, and was the first company to provide \$1 million for the building of the Smithsonian Museum of African American History and Culture and the Dr. Martin Luther King, Jr. Memorial in Washington, D.C. But after the murder of George Floyd during the summer of 2020, Theresa White, president of Aflac America, knew the company needed to do more.

Until recently, Aflac tended to focus its community and philanthropic engagements in its home state of Georgia and was reluctant to get directly

involved in social issues whether through public statement or action. White's leadership, along with current events, led the company to begin engaging directly in work related to social justice. Efforts began with an informal working group focused on the topic.

While at first this seemed like a small step, the multidisciplinary nature of the group allowed the discussions to focus on things the company could do to make a difference across a variety business units.

The working group led Aflac to engage in several efforts to influence social change on racial equity within the company. Senior company leaders shared their experiences of being Black in America during special employee town hall meetings. These executives discussing their personal experiences allowed other employees to hear about how

inequality influences their colleagues and leaders on a day-to-day basis. The company then hosted town halls with Members of Congress to allow employees to hear directly from policymakers on this topic. This unique combination of conversations on a singular topic weren't happening before at Aflac.

The working groups also set the groundwork for engagement on related topics. In the spring of 2021, the company officially weighed in on voting rights, stating the belief that that [voting should be easy, accessible, secure and transparent and noting its opposition to legislation that fails to reach those goals.](#) While engaging legislators on the issue, Aflac also reflected on its own internal policies and community engagement to find ways to become involved. Aflac expanded its National Voter Registration Day sponsorship, partnered with VoteRiders, an organization dedicated to providing voter ID assistance to individuals, sponsored voter ID clinics in its home state of Georgia, supported the Election Protection Coalition, and continues to explore other ways to engage in the issue. On the business side, the company now offers time off to vote for all employees.

Aflac is also engaging in larger efforts to make society more equitable. In December 2020, the company announced a \$25 million contribution to the Black Economic Development Fund, a project of the Local Initiatives Support Corporation dedicated to supporting Black-led financial institutions. In February 2021, the company announced a \$1.5 billion investment in an asset management business with an aim of providing real estate loans in economically distressed communities. In this way, Aflac is honoring its long commitment to give back to

the communities it serves – this time with a focus on social justice. The company also recently announced a \$1 million contribution to Morehouse College aimed at addressing the opioid crisis in Georgia.

In addition to its role in civic engagement and pursuing economic development, Aflac has also embraced the opportunity to engage rank-and-file employees in conversations about racial equity. Employees often ask about company policies on social issues, and while not all employees agree with Aflac's responses, they generally trust the company to do the right thing. In this regard, Aflac executives can act as leaders in sharing diverse perspectives - shaping the way its employee base thinks about such issues.

Aflac is one of a large number of companies that are navigating the changing waters of social issue engagement. The past five years has been a learning process for company executives. "Companies used to have their lane," said Jessica Strieter Elting, who heads Aflac's public and political affairs. "The lines have blurred, and people expect us to get involved now. It's a role we are still learning to play."

Strieter Elting attributes some of this change to a generational shift in the workforce with people under the age of 40 starting to occupy senior leadership positions. Recent survey data suggest younger Americans expect a greater level of social responsibility among companies whether as employees or consumers. Political science research indicates that younger Americans value efforts to promote social change over actions involving traditions and duties, which tend to be preferred by older generations. ■

## Customers as Stakeholders

Around half of 2021 survey respondents indicated that customers influenced their company's decision to engage in social issues. However, customer relationships vary depending upon the way a company is situated in the marketplace. People walking into a Levi Strauss & Co. or Target store have fundamentally different relationships with their customers compared to companies like Aflac, which sells insurance products to customers through independent sales agents and brokers. The distance between customers and the company tends to insulate some companies from customer reactions since the company's presence in the customer's life is not top of mind for most individuals.

One final factor to consider: When determining responses to social issue engagement, it's important to remember that customers are not monolithic. On any given issue, a company's customer base will probably be divided in its response to corporate engagement. Public affairs managers who have been in the middle of these debates recommend that, regardless of the company's view, consistency and clear articulation of the company position is crucial when navigating customer reactions. Consistency — ensuring that business practices align with public affairs and communications actions — should protect the company from questions about irregularities in its responses.

Clear articulation of the company position is also important. "For any large organization, managing public issues is a little like driving on a freeway: it's often a mix of planning for congestion, managing convergence and avoiding collisions." Microsoft's Galligan said, with regards to determining a company's stance on issues. "But [Companies]

**The distance between customers and the company tends to insulate some companies from customer reactions since the company's presence in the customer's life is not top of mind for most individuals.**

often just have to pick a lane, keep their eye on the road, and keep up with the traffic."

## Shareholders as Stakeholders

Much has been written about shareholder relations in recent years, especially with the news of [the Business Roundtable's restatement of the corporate purpose](#). That statement, released in August 2019, encouraged member companies to consider the needs of all stakeholders when making decisions.

"Publicly traded companies will always have primary and fiduciary responsibilities to shareholders. However, companies have recently come to the view other stakeholders, such as employees, patient advocacy groups, healthcare professional organizations, and environmental and conservation interests, as equally important in the conversation," says Pete Slone, senior vice president of public affairs for McKesson. "Stakeholders and shareholders are both vital partners that need to be factored into a company's strategic planning and decision-making process."

Yet investors still command a great deal of attention in corporate board rooms — and one of the reasons is the rise of socially responsible investing. As of the end of 2019, total assets under management using one or more sustainable investment strategies stood at \$17.1 trillion, reports The Forum for Sustainable and Responsible Investment. In addition, shareholder activists are increasingly calling for companies to play leadership roles in issues ranging from environmental protection to civil rights.

In other words, some of the loudest voices asking companies to engage in social issues come from the investment community.

At the same time, many institutional and individual investors would prefer that companies spend less time talking about equality and justice and more time focusing on boosting earnings. Thus, it's not at all surprising that nearly half of government affairs executives in the 2021 survey said their company considered shareholder feedback when deciding whether to engage in social issues. That's a percentage significantly behind employees and executives, but on par with customers, advocacy groups, and local communities.

## Advocacy Groups as Stakeholders

Companies often look to advocacy groups for cues about involvement in social issues. According to the 2021 survey, nearly half of respondents indicated that their companies relied on feedback from advocacy groups when making such decisions. Advocacy groups can be particularly helpful as the source for emerging issues that can influence company involvement. Southwest Airlines first considered the issue of human trafficking from a request by an NGO working in that space. Once

the company learned how airline employees can identify trafficking as it is happening, Southwest decided to take up the issue as a long-term priority.

Advocacy groups can also be helpful as companies consider the best way to engage in important issues. Coca-Cola worked with a number of environmental nonprofits while considering what its role could be in reducing plastic waste. Even if the two organizations don't see eye to eye on the particulars, it can be helpful to seek input from advocacy groups to ensure that an organization is appropriately responding to societal needs.

## Prospective Employees as Stakeholders

Twenty-eight percent (28%) of respondents to the 2021 survey identified prospective employees as an important stakeholder group when deciding whether or not to get involved in social issues. Much of this consideration is being driven by competition to recruit the best and brightest young talent. Recent public opinion research on corporate recruiting suggests that nearly two-thirds of millennials consider a company's environmental and social commitments before deciding whether to accept a job. However, a recent Morning Consult survey indicates that support for environmental sustainability is universally popular across all age groups. When asked if an employer becoming more environmentally friendly would make them feel more proud to work for the company, large majorities of Generation Z (65%), Generation X (63%), and Baby Boomers (65%) indicated support for such actions.

## Corporate Boards as Stakeholders

Corporate boards represent an important stakeholder group for companies considering



involvement in social issues. Boards often drive sustainability, racial equity and economic empowerment agendas for major corporations.

The relationship between corporate boards and public affairs teams can run in two directions. In some instances, corporate boards may seek changes in a company's social issues engagement. Among public affairs leaders interviewed for this report, several mentioned their company's board as a driving force behind environmental, social and governance (ESG) initiatives. Other companies have engaged in this process publicly when activist

shareholders earn board seats with the goal of influencing a company's short- and long-term strategic decision-making.

In many cases, the government affairs and communications teams proactively engage with the board to explain what social issues the company is embracing, why decisions were made to engage, what the risks are to the firm, and what positive results are expected.

## PROTECTING THE COMPANY'S BRAND AND REPUTATION

Companies often get involved in social issues in order to protect the company's brand or reputation. According to the 2021 survey, 72% of respondents indicated that brand or reputational concerns were a primary reason for a company to consider involvement in social issues.

The company's reputation and brand in the marketplace can also influence customer reactions to social issue engagement. While Levi Strauss & Co.'s involvement in the gun safety debate has not impacted customer engagement in a problematic way, the company's history of involvement in social issues may have led customers to expect Levi Strauss & Co. to take a stand. This has not been the case with other retail businesses that have historically been less involved in social issues. Another recent example involves [Patagonia discontinuing its relationship with a ski resort in Wyoming](#) because the resort hosted controversial

Republican Members of Congress. This type of decision might be out of the question for many major companies, but since Patagonia has built these types of principles into the company's brand, such a decision is likely to reinforce its reputation instead of placing the reputation at risk.

Other companies look for opportunities to use their corporate brand to advocate for social change. But, in doing so, most major companies have stayed away from political engagement, often in an effort to protect their brands from political controversy. While companies have become much more willing to engage in social issues over the past several years, risks to reputation and brand are often a consideration when weighing whether to get involved.

In an effort to address brand concerns, some companies have begun building risk assessments into the social engagement decision-making process. To evaluate risk, the leadership team

examines an assessment of the issue including information about the issue environment, public sentiment and forecasts about possible reactions to specific actions the company might take. Understanding the audiences that are likely to be

pleased or displeased about a specific action helps the leadership team approach the issues with more complete information about the potential positive and negative impacts.

## SOCIAL ISSUES AND THE BOTTOM LINE

Half of respondents to the 2021 survey reported their companies have become involved in a social issue because the issue affected their core businesses. While this motivation lags behind other major reasons for engagement, responding to business needs represents a significant portion of social issue engagement. This explanation also blurs the line between social issues and other issues that are traditionally considered business concerns.

Differentiating social issues from business-related issues has become increasingly difficult over the past several years. “So many topics impact our resiliency and ability to grow, including issues that were once labeled social issues,” said Target’s Rath. As a result, Target’s process for determining issue involvement is inclusive of all issues and does not

differentiate between traditional business issues and social issues.

Issues such as immigration reform can influence a tech company’s ability to obtain visas for software engineers, while changes to environmental policy directly affect how energy companies do business. For example, one of BP’s main corporate goals is to obtain [net zero emissions by 2050](#), which will influence nearly every part of the company’s operations.

Other issues such as racial justice, gender equality and LGBTQ rights have a more indirect influence on the company’s bottom line. Indirect effects, however, have caused many executives to stand up and take notice of these issues as well.

### CASE STUDY

## Where Business Meets Societal Impact

**W**hen the Trump Administration rescinded the Deferred Action for Childhood Arrivals program (DACA), Microsoft’s leaders knew the company needed to act. With more than 60

employees directly impacted by the policy and more than 25,000 employees working in the U.S. with visas who felt vulnerable to changes in immigration policy, immigration reform had been

one of Microsoft's policy priorities for some time. Microsoft had been working in coalition with other companies to promote this policy agenda. But the direct threat that the Administration's order posed to employees pushed the company to make a stand and say that they would represent them in court and litigate on their behalf. "If the government wants to deport a Dreamer who is one of our employees, it's going to have to go through us," Microsoft's President Brad Smith said in an interview at the time of Trump's action.

So, in late 2019 Microsoft joined Princeton University and Princeton student Maria De La Cruz Perales Sanchez to file one of the three cases before the Supreme Court challenging the DACA rescission. "We have more than five dozen employees who are Dreamers and they are doing really important work for our company," Smith said at the time the case was being considered by the court.

While other companies have been publicly involved in supporting DACA, Microsoft was the only company among the plaintiffs of the consolidated cases before the Supreme Court. The decision to take this level of action was attributable to three factors. First, the issue had a direct impact on the company's business. With Microsoft employees directly affected by the DACA rescission, in addition to thousands of employees affected by immigration policy more generally, the company had a direct stake in the outcome of the issue. Additionally, the employee base strongly supported Microsoft's involvement. For companies that want to attract and retain the best talent, involvement in these types of issues is important. From a broader perspective, employees increasingly expect the company to act as part of its mission of empowerment. Increasingly at the company, issues

in the public sphere are converging in the private sphere, and employees are approaching these issues as members of an impacted community and not simply as employees.

The final key ingredient to Microsoft's response was commitment from executives at the company. Microsoft's Brad Smith has a long track record of supporting immigration. As co-founder of Kids in Need of Defense (KIND), a nonprofit organization dedicated to protecting unaccompanied and separated immigrant children, Smith felt strongly that getting involved in DACA was the right thing to do. For Microsoft, the decision to bring this case was straightforward. Microsoft believes Dreamers are worth protecting, and the case speaks to the impact the rescission has on their business, company, employees and the hundreds of thousands of Dreamers across the country. Without this commitment, an action as consequential as filing an amicus brief with the Supreme Court, along with dozens of media appearances, public statements, and the resources needed to support such efforts, would not have been possible.

In 2020, the U.S. Supreme Court ruled in favor of the Microsoft position in their brief in the DACA case, but their efforts continue. The company's goal, along with so many other supporters, is a legislative solution involving a permanent pathway to citizenship for Dreamers, and even more broadly, a comprehensive immigration reform package. Microsoft executives feel strongly that customers will be impacted severely if technology companies lack the talent to produce their products. For Microsoft, the issue goes past the employees directly affected by DACA. ■

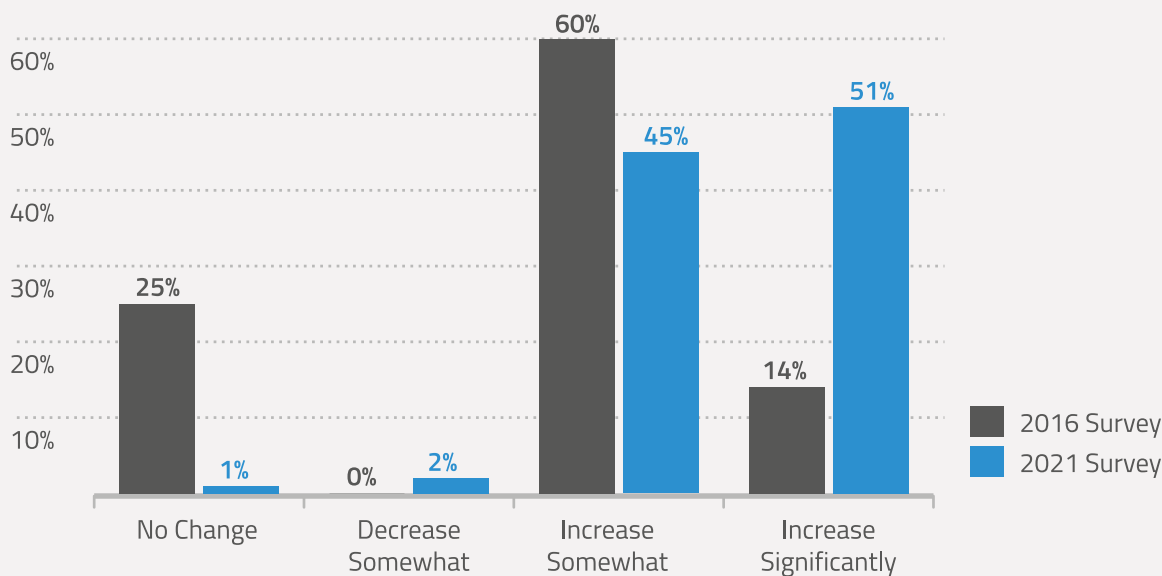


# A PATH FORWARD ON SOCIAL ENGAGEMENT

Pressure to engage in social issues has increased substantially since the first Public Affairs Council survey on the topic was conducted in 2016. Based on the results of the 2021 survey, government affairs executives expect this pressure to continue. Nearly all respondents in the recent survey indicated they expected pressure to jump either “somewhat” or “significantly” in the next three years. This is a noticeable increase since the 2016 survey when approximately three-quarters of respondents (74%) expected pressure to increase.

“It’s clear from these data that public and employee pressure to join the battle for social issues is not going away,” said Pinkham. “In fact, it is only going to increase in the years ahead. This means companies will need a more expansive approach to managing issues and setting priorities. Every year, they’re going to have to ask themselves not only ‘What do we want to focus on?’ but also ‘What are we expected to focus on?’”

**Figure 9:** Do You Expect Pressure to Increase in the Next Three Years?



*Data from the 2016 and 2021 Taking A Stand Surveys, Public Affairs Council.*

Decisions centered around involvement in social issues have become increasingly important for other reasons as well. With trust in government declining, many trust major companies to solve social problems that people believe the government is incapable of solving. According to Edelman's 2021 Trust Barometer, levels of trust in companies eclipses trust in government. "For once, people are saying that they trust companies more than the government," Aflac's Strieter Elting said. "How do we make the most out of this and do good by standing by the things we believe?"

Public affairs professionals are aware of the normative implications of this situation. Company leaders are also aware that while they might be able to influence the policymaking process, they are not elected officials. Overstepping could lead to debates about undue influence of companies on the political system and may reinforce existing beliefs about corporate overreach. Public affairs professionals will continue to wrestle with concerns about social change vs. overreach in the years to come as corporate America plays a larger role in debates about social issues.



## CASE STUDY

# Turning a Barge on a Dime

 Historically, McKesson kept a low profile when it came to public engagement. Even as the seventh largest U.S.-based company, McKesson has traditionally been regarded as one of the largest companies nobody has ever heard of. This was due in part to its position as a healthcare distributor without direct exposure to consumers. Given this low profile, the company had been reluctant to engage in social issues until recently.

Over the past several years, the company embarked on a process to change that. Consistent with the Business Roundtable's modernized principles on the role of corporations, and at the direction of the Corporate Board of Directors, McKesson's leadership team took on the task of developing a

framework to guide the company's engagement on key social issues. In 2020, the COVID-19 pandemic, the murder of George Floyd and the looming threat of climate change all underlined the need for this framework. McKesson created a new role - vice president of sustainability and ESG, a role that has been tasked with navigating this new landscape. In addition, the company created the position of chief impact officer, a C-level executive responsible for ESG; diversity, equity, and inclusion; and corporate social responsibility.

The first task for the team was to determine the areas close to McKesson's core business in which the company could have the greatest impact.

The intersection of business interests and public

interests represents a sweet spot for many companies, including McKesson. “We believe that our CSR and ESG engagement should focus on the areas where McKesson can drive real, sustainable change,” said Pete Slone, senior vice president of Public Affairs. “We want to leverage our expertise to develop a thoughtful, actionable plan to address these issues. The work needs to move the needle.”

After a process that involved multiple stakeholders, company leaders identified three issues in that sweet spot: access to health care, health equity, and climate action for the sake of health. They developed a brand that encompasses all three of these priorities called “Care 360,” which provides visibility for the initiatives and helps employees and other stakeholders talk about the program with people in their community.

While these initiatives are still in their infancy, McKesson has begun working these goals into the company’s business strategy, which ensures they will take a comprehensive approach when addressing issues going forward. The company is taking a holistic approach to engagement on priority social issues, making the key areas a part of the strategic planning process within

the business units. When company leaders see issue engagement as a business opportunity, this provides a chance for real change to happen.

Some early results of the strategy process include a commitment to workforce diversity among employees and company leaders, deploying electric vehicles as part of the company’s medical surgical delivery fleet, the development of science-based targets for greenhouse gas emissions, and CEO engagement on diversity, equity and inclusion.

Slone believes that having an open and transparent conversation is an important part of engaging with people. “Allowing those with differing viewpoints to make their voices heard ultimately helps drive consensus,” said Slone.

Slone hopes that McKesson’s experiences can help to inform the strategies that other companies new to social issue engagement take. Proactively engaging in these issues has allowed the company to operationalize the societal values that are part of McKesson’s mission while focusing in areas where the company has expertise and can make a real difference. ■



## CONCLUSION

The landscape for social issue involvement has changed dramatically over the past several years. Companies that have typically shied away from issues such as racial equity, LGBTQ rights, immigration and a variety of other causes have changed course. The business community is reaching a critical mass of companies that are willing to make public statements and commit public affairs resources to engage in these issues.

As the landscape has changed, companies have increasingly adopted best practices for evaluating and prioritizing social issues. Common approaches include cross-disciplinary teams to consider and adopt positions. These teams can ensure efforts to address social issues touch all parts of the business and that all pertinent stakeholders have a voice. Companies are also formalizing how they develop social issue engagement plans. These plans emphasize clear communication, transparency and feedback loops to ensure senior management understands how stakeholders are reacting to the company's statements and actions.

The final key to effective engagement is consistency. Companies are increasingly altering their business practices before — or in conjunction with — taking public stances or lobbying on issues. Making real changes in how a company does business can go a long way towards building credibility and helping to ensure the company has a positive and lasting impact. >>





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