

# THE RISE OF CORPORATE ACTIVISM

How Communication Experts Can Help Leaders Take a Stand



Dr. Kelly Page Werder | University of South Florida, USA

> Corporations as issue advocates

> Corporations as political actors

> Trends in public response to corporate activism

> Studies that inform the effectiveness of corporate activism

> The importance of a corporate activism management plan

## Traditional CSR



SEPTEMBER 12, 2017

### The Walt Disney Company Donates \$2.5 Million in Humanitarian Aid to Support Communities Impacted by Hurricane Irma

The Walt Disney Company has committed \$2.5 million to aid in humanitarian relief efforts across Florida, the Caribbean and other areas impacted by Hurricane Irma. The donation will support the disaster response and recovery efforts of the American Red Cross, UNICEF, Save the Children, and other nonprofit organizations.

# Corporations as issue advocates

NOV 16, 2012 @ 04:51 PM 7,169 VIEWS

## More Companies Come Out For LGBT Rights



**Susan Adams**, FORBES STAFF

*I write about entrepreneurs, small business owners & what drives them* [FULL BIO](#)

Opinions expressed by Forbes Contributors are their own.

A [study](#) released this week by the Human Rights Campaign (HRC), the nation's biggest advocacy and lobbying group for lesbian, gay, bisexual and transgender (LGBT) rights, shows that big companies are continuing to increase their protections for LGBT workers. They are also speaking out more in favor of same-sex marriage rights.


The HRC has been running its survey, called the Corporate Equality Index, since 2001. It rates companies based on how hospitable their workplace policies are for LGBT employees, evaluating everything from insurance and other benefits for same sex partners, to companies' ability to recruit and retain LGBT workers and as of last year, insurance coverage for gender reassignment surgery.



*In Pictures: The Best Big American Companies For LGBT Employees*

“... big companies are continuing to increase their protections for LGBT workers.”

# Corporations as issue advocates

**Starbucks Newsroom**

[Home](#) [News](#) [Leadership Team](#) [Views](#) [Fast Facts](#) [Multimedia](#) [Contact](#)


June 26, 2015 **Company**

**Starbucks Applauds Supreme Court's Ruling on Marriage Equality**

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# Corporations as issue advocates

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## IF IT'S MELTED, IT'S RUINED!

[TAKE ACTION  
SIGN THE PETITION](#)

### Global Warming. Climate Change. Climate Justice. What Does it All Mean?

We live in a world where the effects of climate change are increasingly real; from melting ice caps to rampant forest fires, it can no longer be denied that man-made carbon pollution is affecting our fragile planet. The scientific evidence is settled; global warming is real and already impacting people around the world. The question now is, "What are we doing about it?"

[Read More](#)

### What Does it Mean for Ben & Jerry's?

Ben & Jerry's has a long history of fighting for climate justice and finding ways to reduce the environmental impact of our business. In 2002, we launched a carbon offsets program for our Vermont manufacturing facilities. In 2007, we ran our first global warming advocacy campaign in partnership with the Dave Matthews Band. We've invested early and often in efficiencies throughout our manufacturing facilities, supply chain, and Scoop Shops to increase energy efficiency and shrink our carbon footprint.

[Read More](#)



#### The 9 Most Innovative Solutions to Climate Change



#### The 9 Most Inspiring Things We Saw At the Peoples Climate March



#### Our 16 Favorite Signs From the People's Climate March

### Our Partners:

**Avaaz** is a global web movement to bring people-powered politics to decision-making everywhere.

**The Climate Reality Project** is a nonprofit organization focused on climate change education and clean power advocacy. They encourage citizens to get smart, get loud, and get active to affect change.

**350.org** is a climate change movement that's organizing, empowering, and informing citizens in 188 countries to pressure their leaders into addressing climate change and cutting emissions. The name stems from the goal of reducing the atmosphere's CO2 levels from its current 400 parts per million to below 350 ppm.

**BICEP** is an advocacy coalition of businesses committed to working with policy makers to pass meaningful energy and climate legislation that will enable a rapid transition to a low-carbon, 21st century economy that will create new jobs and stimulate economic growth while stabilizing our planet's fragile climate.

### Recent Entries



# Corporations as issue advocates

ICE CREAM

## Ben & Jerry's Agreed That Black Lives Matter and People Lost Their Shit

Following the ice cream brand's endorsement of Black Lives Matter, some Americans are accusing the company of supporting “terrorists.”

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TWEET



AS

ALEX SWERDLOFF

OCT 11 2016, 5:00PM



Ben & Jerry's  
@benandjerrys

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Black Lives Matter. Choosing to be silent in the face of such injustice is not an option. [benjerrys.co/blm](http://benjerrys.co/blm) #BlackLivesMatter

6:06 PM - Oct 6, 2016

2,729 62,043 88,230

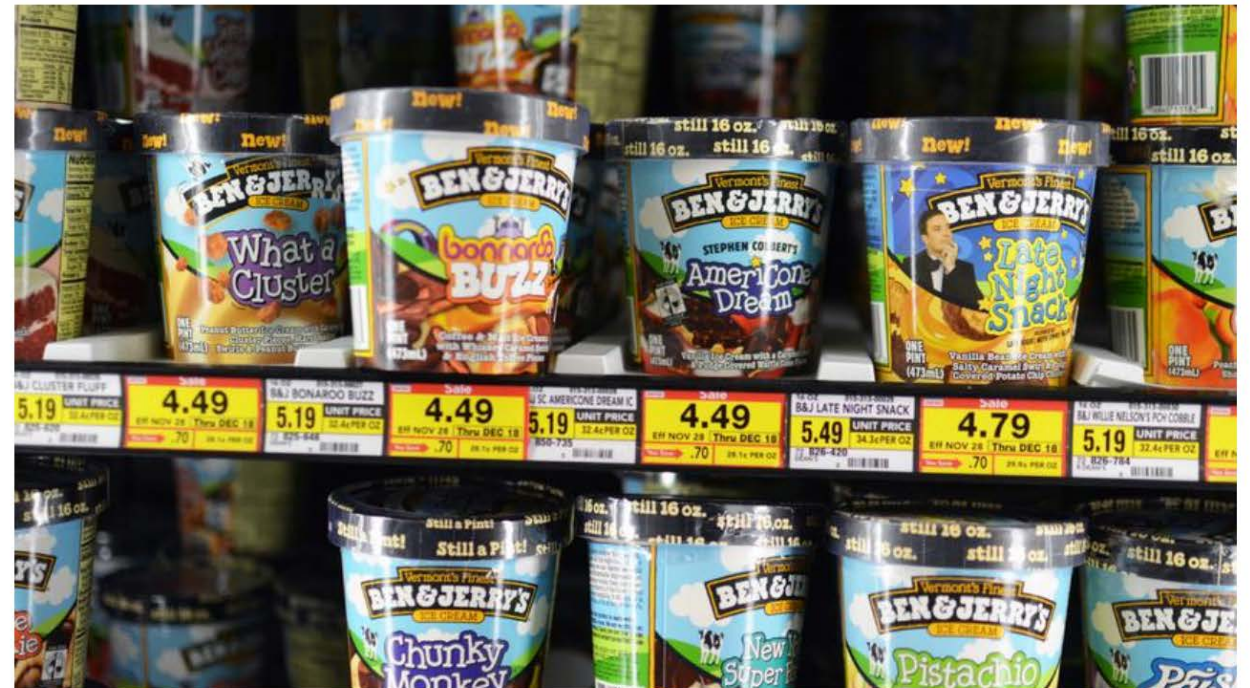


Photo via Flickr user [Michael Kappel](#)



# Corporations as issue advocates

06.15.15

## The Inside Story of Starbucks's Race Together Campaign, No Foam

Starbucks CEO Howard Schultz has always tried to do right by his company, his customers & his country. So why did Race Together go so wrong?



"This is not altruistic—this is business," **Howard Schultz** says of Starbucks's social activism. "You can't create emotional attachment if you stand for nothing."

STARBUCKS

## Why Starbucks' Race Together Campaign Failed

Starbucks did not spend time "discussing how it would look for a white billionaire to front a national dialogue on race."

by **Khushbu Shah** | Jun 18, 2015, 3:12pm EDT



TWEET



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# Corporations as political actors

The emerging phenomenon of political CSR (PCSR) involves “responsible business activities that turn corporations into political actors by engaging in public deliberations, collective decisions, and the provision of public goods or the restriction of public bads in cases where public authorities are unable or unwilling to fulfill this role”

*Scherer, Rasche, Palazzo, & Spicer, 2016, p. 276*

# Corporations as political actors

## HOW CEOS RESPOND: THREE TYPES OF TACTICS

TRADITIONAL	NONCONFRONTATIONAL
	Lobby behind the scenes Contribute to campaigns Communicate internally with employees Do nothing
ACTIVISM	RAISING AWARENESS
	Issue a statement or tweet Write an op-ed Seek to spur public action via trade associations
	EXERTING ECONOMIC INFLUENCE
	Relocate business activities Pause business expansion Fund political and activist groups



# Corporations as political actors

No. 17-35105

IN THE UNITED STATES COURT OF APPEALS  
FOR THE NINTH CIRCUIT

STATE OF WASHINGTON, et al.,  
*Plaintiffs-Appellees,*

*v.*

DONALD J. TRUMP, et al.,  
*Defendants-Appellants.*

On Appeal from an Order of the United States  
District Court for the Western District of Washington

United States District Judge James L. Robart  
Case No. 2:17-cv-00141-JLR

MOTION FOR LEAVE TO FILE BRIEF OF  
TECHNOLOGY COMPANIES AND OTHER BUSINESSES  
AS AMICUS CURIAE IN SUPPORT OF APPELLEES

## COMPANIES

# These 97 Companies Filed a Brief Against President Trump's Travel Ban

Maya Rhodan

Feb 06, 2017



A federal court will soon decide whether President Donald Trump's [executive order temporarily blocking travel from seven majority-Muslim countries](#) can stand.

Attorneys for Minnesota and Washington, as well as a group of former high-level government officials including Secretaries of State John Kerry and Madeleine Albright, filed in the Ninth Circuit on Monday, [arguing against the order](#). The Department of Justice will file in defense of the order later on Monday.

Outside of government, [97 companies](#), including tech giants [Apple](#), [Google](#), [Microsoft](#) and Facebook, also filed a legal brief in the challenge, saying the ban "inflicts significant harm on American business." The companies say the order inhibits growth and hurts both their employees and their customers.



# Corporations as political actors

No. 17-1351

*In the*  
**United States Court of Appeals**  
*for the*  
**Fourth Circuit**

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INTERNATIONAL REFUGEE ASSISTANCE PROJECT, et al.,  
*Plaintiffs-Appellees,*

— v. —

DONALD J. TRUMP, et al.,  
*Defendants-Appellants.*

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On Appeal from an Order of the United States  
District Court for the District of Maryland

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PRESIDENT TRUMP

IMMIGRATION

## More than 160 tech companies asked a court to reject Trump's second travel ban

Amazon, Facebook, Google and Snap are among those filing.

BY [TONY ROMM](#) | [@TONYROMM](#) | APR 19, 2017, 4:56PM EDT

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# Corporations as political actors

## Dear President Trump,

As some of the largest companies based or operating in the United States, we strongly urge you to keep the United States in the Paris Agreement on climate change.

Climate change presents both business risks and business opportunities. Continued U.S. participation in the agreement benefits U.S. businesses and the U.S. economy in many ways:

- **Strengthening Competitiveness:** By requiring action by developed and developing countries alike, the agreement ensures a more balanced global effort, reducing the risk of competitive imbalances for U.S. companies.
- **Creating Jobs, Markets and Growth:** By expanding markets for innovative clean technologies, the agreement generates jobs and economic growth. U.S. companies are well positioned to lead in these markets. Withdrawing from the agreement will limit our access to them and could expose us to retaliatory measures.
- **Reducing Business Risks:** By strengthening global action over time, the agreement will reduce future climate impacts, including damage to business facilities and operations, declining agricultural productivity and water supplies, and disruption of global supply chains.

As businesses concerned with the well-being of our customers, our investors, our communities, and our suppliers, we are strengthening our climate resilience, and we are investing in innovative technologies that can help achieve a clean energy transition. For this transition to succeed, however, governments must lead as well.

U.S. business is best served by a stable and practical framework facilitating an effective and balanced global response. The Paris Agreement provides such a framework. As other countries invest in advanced technologies and move forward with the Paris Agreement, we believe the United States can best exercise global leadership and advance U.S. interests by remaining a full partner in this vital global effort.

Sincerely,

Adobe • Apple • Blue Cross Blue Shield of Massachusetts •  
Danfoss • Dignity Health • Facebook • Gap, Inc. • Google •  
The Hartford • Hewlett Packard Enterprise • Ingersoll Rand •  
Intel Corporation • Johnson Controls • Levi Strauss & Co. •  
Mars Incorporated • Microsoft • Morgan Stanley • National Grid •  
PG&E Corporation • Royal DSM • Salesforce •  
Schneider Electric • Tiffany & Co. • Unilever • VF Corporation

# Big companies defy Trump on climate change

Venessa Wong, Cora Lewis, Leticia Miranda & Matthew Zeitlin

Published 10:18 AM ET Thu, 30 March 2017

**BuzzFeed**NEWS



Sandy Huffaker | AFP | Getty Images

Protesters chant during a rally against climate change in San Diego, California on February 21, 2017.

# Corporations as political actors

AdvertisingAge

## Marketers Make DACA Their Latest Stand Against Trump

By [Ad Age Staff](#)

*Published:* September 05, 2017

After a Labor Day weekend of heartfelt statements and tweets from business leaders imploring him not to end the program that protects young undocumented workers from deportation, President Trump did it anyway on Tuesday morning. Now the focus is turning to lobbying Congress for a legal solution to the so-called Dreamers' plight.

“Now the focus is turning to lobbying Congress for a legal solution to the Dreamers’ plight.”



# Corporations as political actors

IBM believes that Dreamers have made a positive contribution to our company and to our economy, and we support bipartisan legislation in Congress to allow them to remain in the United States.

@IBMPolicy



**IBMPolicy** @IBMPolicy

We stand by our IBM  
5:13 PM - Sep 5, 2017

65 798

**Brad Smith** @BradSmi

Follow

Legislation to protect 800,000 #Dreamers is an economic & humanitarian imperative. Congress needs to act quickly.  
[blogs.microsoft.com/on-the-issues/...](https://blogs.microsoft.com/on-the-issues/)

5:41 PM - Sep 5, 2017



**Urgent DACA legislation is both an economi...**

If Congress fails to act, our company will exercise its legal rights properly to help protect our employees.

[blogs.microsoft.com](https://blogs.microsoft.com)

99 545 1,107

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SEPTEMBER 5, 2017 | 01:11PM PT

RICHARD DREW/AP/REX/SHUTTERSTOCK

Walt Disney Co. CEO Bob Iger weighed in on [President Trump's decision to rescind](#) an Obama-era program to allow young undocumented immigrants to remain in the country.

"The Dreamers impacted by this cruel and misguided decision make significant contributions to our economy and our country, and I urge Congress to take immediate bipartisan action to pass legislation that will protect these innocent people," Iger said in a statement.

Iger resigned from [a White House advisory council](#) in June in protest of the decision to pull out of the Paris climate accords.



# TAKE ACTION TO DEFEND DREAMERS

Learn, share, and use your voice to defend Dreamers

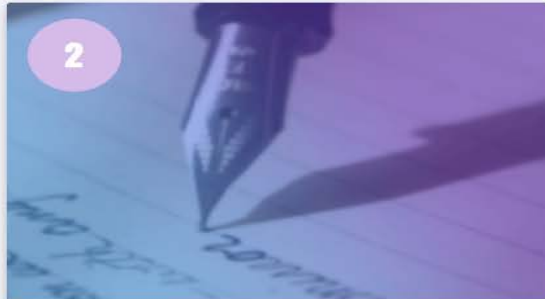
1



## Learn: DACA Ending

Learn what ending DACA means and what needs to happen now.

2



## Sign: Your Name

Sign the petition to support the bipartisan DREAM Act.

3



## Call: Congress Now

Tell Congress to pass the bipartisan DREAM Act.

4



## Share: Dreamer Stories

Read about the real people ending DACA puts at risk.

# Corporations as political actors



## Charlottesville White Nationalist Rally Violence Prompts State of Emergency

by MARIANNA SOTOMAYOR, PHIL MCCAUSLAND and ARIANA BROCKINGTON

CHARLOTTESVILLE, Va. — White nationalists and counter-protesters clashed violently on Saturday, and a car [plowed into a group](#) described as "anti-racist" demonstrators, killing one person and injuring 19 others, authorities and witnesses said.





# Corporations as political actors

THE **POINT**  
WITH CHRIS CILLIZZA

## Donald Trump's incredibly unpresidential statement on Charlottesville

WATCH LIVE

Trump asks, "What about the alt-left?" He says both sides at rally were violent. "I think there's blame on both sides."

CNN

Home

Live TV • U.S. Edition +

## Trump blames both sides



**One side was bad and one side was violent,  
President says**

# Corporations as political actors

## How Corporate America responded to the violence in Charlottesville

by Danielle Wiener-Bronner [@dwbronner](#)

🕒 August 17, 2017: 3:08 AM ET

 **FORTUNE**

**Statement from Kenneth C. Frazier,  
chairman and chief executive officer, Merck:**

"I am resigning from the President's  
American Manufacturing Council.

Our country's strength stems from its diversity and the  
contributions made by men and women of different faiths,  
races, sexual orientations and political beliefs.

America's leaders must honor our fundamental values  
by clearly rejecting expressions of hatred, bigotry and  
group supremacy, which run counter to the  
American ideal that all people are created equal.

As CEO of Merck and as a matter of personal conscience,  
I feel a responsibility to take a stand against  
intolerance and extremism."



1:00 PM - Aug 14, 2017

🤍 49.6K 💬 23.3K people are talking about this



# Public response to corporate activism

## Beyond Business Footprint

Being a responsible company is about more than  
just good business operations



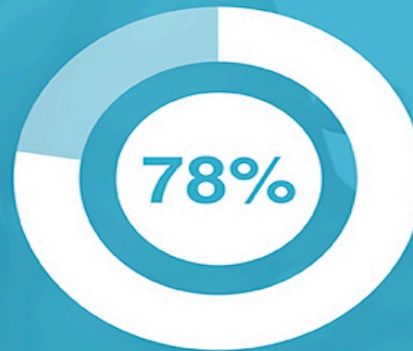
70% of Americans believe companies have an obligation to take actions  
to improve issues that may not be relevant to their everyday business

*2017 Cone Communications CSR Study*

# Public response to corporate activism

## Stand Up, Speak Out

Americans want companies to speak up for issues that are near and dear to their hearts



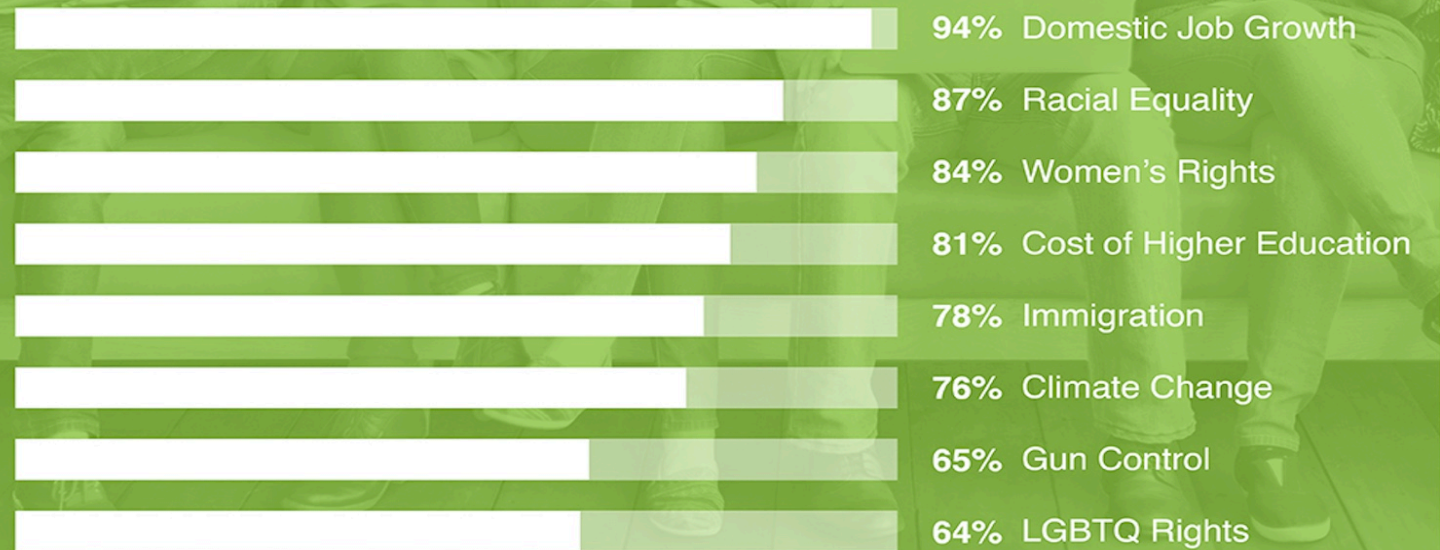
of Americans believe it's important for companies to stand up for important social justice issues



of African Americans want companies to stand up for issues - 12 percentage points more than average

# Public response to corporate activism

## Americans Expect Companies to Support These Hot-Button Issues:



73%

would stop purchasing from a company  
that shared a different perspective on  
these specific issues

2017 Cone Communications CSR Study



# Public response to corporate activism

## Looking Under the Hood

Hot air won't get you anywhere – Americans are willing to find out for themselves if your efforts are authentic



**65%**

of Americans say when a company takes a stand on a social or environmental issue, they will do research to see if it is being authentic



**76%**

of Millennials will do research – more than 10 percentage points more than the average



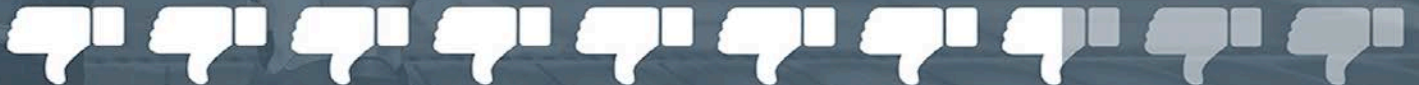
# Public response to corporate activism

## Putting Their Money Where Their Mouths Are

Americans are willing to reward or punish based  
on company values and actions



**87%** would purchase a product because that company stood up for  
or advocated for an issue that they care about



**76%** would refuse to purchase a company's product or services  
upon learning that it supported an issue contrary to their beliefs

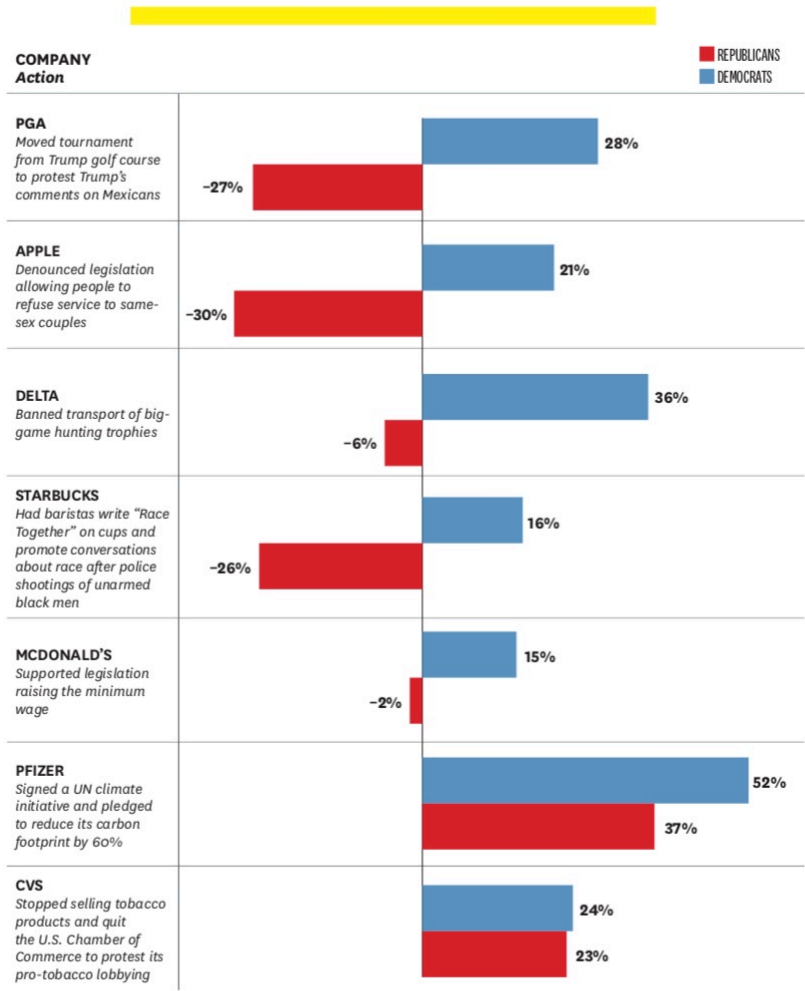
2017 Cone Communications CSR Study

# Public response to corporate activism

## A POLARIZED RESPONSE

Democrats and Republicans can have very different reactions to corporate activism.

The chart below shows how each company's stance on a social issue affected its overall favorability ratings with Democrats and Republicans. The percentages indicate the net change in support from members of each party in response to the activist stance.



SOURCE "BUSINESS & POLITICS: DO THEY MIX?" THIRD ANNUAL STUDY, JANUARY 2016, A SURVEY OF 803 U.S. ADULTS BY GLOBAL STRATEGY GROUP

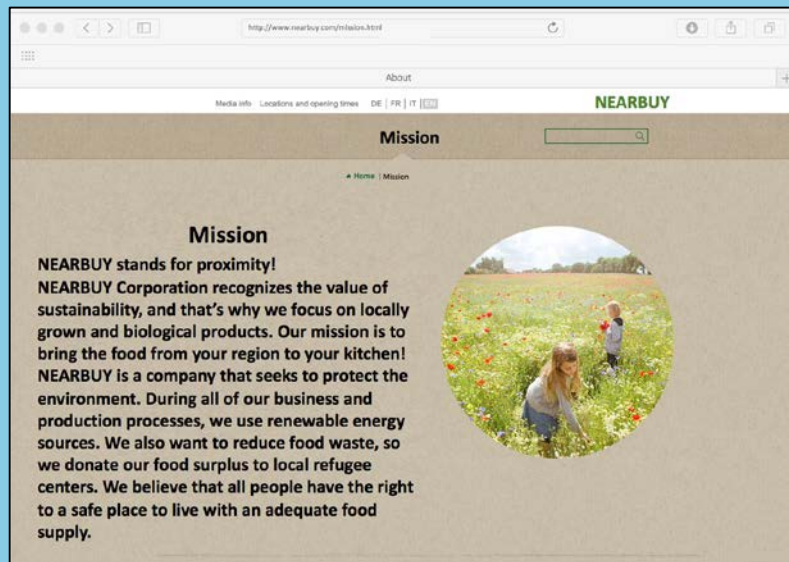
# **Studies that inform the effectiveness of corporate activism**



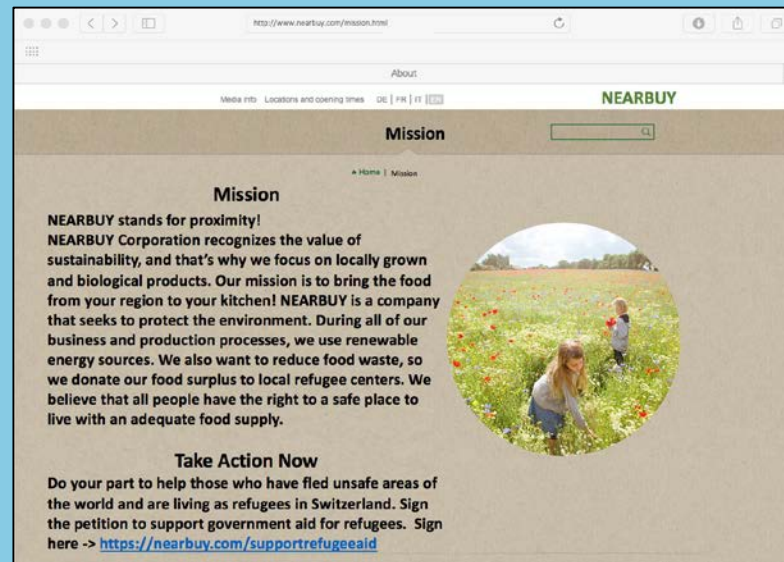
# What are the effects of corporate activism on corporate legitimacy and consumer attitudes toward the firm? Does corporate activism influence consumer information seeking and sharing via social media?

Method: post-test only randomized experiment with three conditions (N=268); Swiss millennials

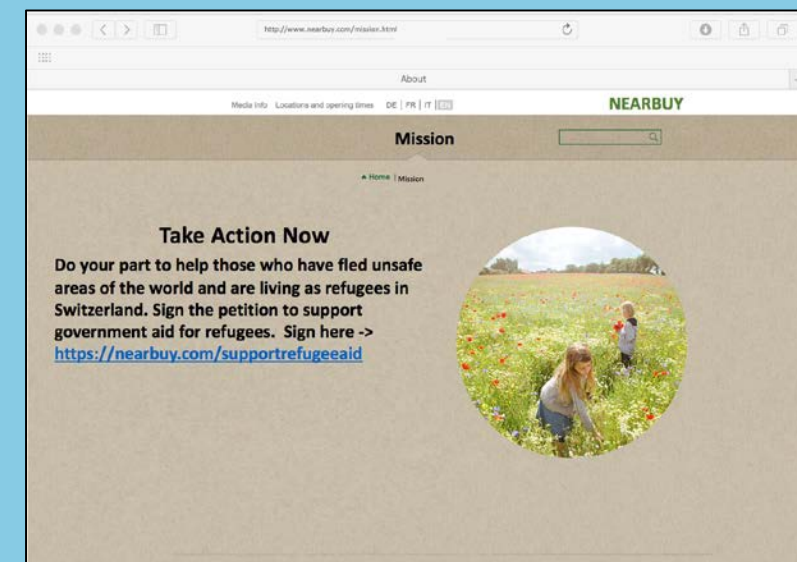
## CSR only



## CSR + PCSR



## PCSR only



# Results

1. The Political CSR treatment **negatively** influenced attitude toward the corporation and corporate legitimacy, and had **no effect on information seeking or information sharing behavior**.
2. Political CSR is a **risk** for corporations, and the effect on stakeholders is likely **situational**.
3. The effectiveness of PCSR messaging **depends on the issue** being promoted and **the stance** of the organization on the issue.

# Can corporations advocate in the same way non-profits do?

## Does issue fit (match with core mission) influence public perceptions?

Method: post-test only 2x2 factorial experiment with four conditions (N=686); US & Swiss millennials

### Organization Type



### Issue Fit





# Results

1. When advocating for sociopolitical issues, corporations are perceived as **less credible and less legitimate** than non-profits organizations.
2. A corporation may increase its perceived credibility and legitimacy by advocating for issues that are **related to its core business mission**.
3. When a corporation advocates for an issue that is not related to its core business mission, consumers have **lower problem recognition** of the issue, **decreased involvement in the issue**, and **less goal compatibility** with the organization.

# **The importance of a Corporate Activism Management Plan**



# BEST PRACTICES FOR CORPORATE COMMUNICATION MANAGERS

- 1. Corporate communication managers must be proactive.**  
Recognize that corporate activism is an emerging trend that is only going to increase. Address it now.
- 2. Corporate communication managers must be strategic** in advising corporate leaders on issue advocacy.  
Decide now what issues matter to the firm and why they matter.
- 3. Establish a fit between the issue and the company's values and mission.**  
For corporate activism to gain credibility and support, it is important to communicate why the issue is related to the company's mission and values.
- 4. Consider employees.**  
Assess how employees will be impacted by the corporate stance and gauge their support. If some employees disagree with the position taken, they may feel excluded, less productive, and less loyal.
- 5. Know public opinion on salient issues.**  
Taking a public position on a hot-button issue may not be fully understood or endorsed by all stakeholders. Research on key stakeholders is vital.





# BEST PRACTICES FOR CORPORATE COMMUNICATION MANAGERS

## **6. Discuss the pros and cons with decision makers.**

Communication professionals must lead discussion of goals, objectives, strategy, and tactics.

## **7. Conduct a risk-benefit analysis of the effects on company reputation.**

Corporate activism can influence a firm's reputation.

## **8. Fully commit the necessary time and resources.**

Big issues require long-term, bold, and focused dedication. And advocacy is costly.

## **9. Look in the mirror.** Make sure there are no skeletons in the closet related to the issue the corporation is taking a stance on. If your company needs to make improvements, say so before your critics do.

## **10. Find partners to gather momentum.**

Consider engaging other business leaders or experts in the cause. Form relationships with non-profits that have credibility and are perceived as legitimate.

# BEST PRACTICES FOR CORPORATE COMMUNICATION MANAGERS

- 11. Consider the channels, messages, and tone used.** Ensure that the reasons behind corporate activism are clearly and transparently voiced over time, not just one time when the issue first appears in the news.
- 12. Have a plan for a potential social media storm.** Social media and the 24/7 news cycle require companies to operate at lightning speed. Media inquiries, Facebook and Twitter activity, social protests, employee questions and NGO backlash are all but guaranteed when addressing politically charged issues. Social media teams must be prepared and supported.
- 13. Expect backlash and be prepared to respond.** As much as there will be genuine support and admiration for taking a public stance, the criticism can be stinging as well. But don't back down or change positions.

*Adapted from Weber Shandwick (2016) and Chatterji & Toffel (2018)*

**Ethical corporate activism  
could save the world!**

Thank you!



## References

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