

Building Trust

An Interview with Richard Edelman, President and Chief Executive Officer, Edelman

EDITORS' NOTE Richard Edelman is the CEO of Edelman, a global communications firm. He has extensive experience in marketing and reputation management, having led assignments with major corporations, NGOs and family businesses. He has advised senior executives through significant disruptions within their organizations, including Samsung and United Airlines. He has counseled countries in every region of the world on economic development programs.



Richard Edelman

As the creator of the annual Edelman Trust Barometer, Edelman has become one of the foremost authorities on trust in business, government, media and NGOs. In 2020, Richard was inducted into the American Advertising Federation's Advertising Hall of Fame. In 2019, he was named the PR Agency Professional of the Past 20 Years by PRWeek and was inducted into the publication's Hall of Fame; in 2014, he was inducted in the Arthur W. Page Society's Hall of Fame. Edelman is regarded as an industry thought leader and has posted weekly to his blog since 2004. He serves on the Board of Directors of the Ad Council, the Atlantic Council, Project HOOD, P33, the Gettysburg Foundation, the 9/11 Museum and the National Committee on U.S.-China Relations. He is a member of the Civic Committee of the Commercial Club of Chicago, World Economic Forum and PR Seminar. Edelman earned a BA from Harvard College in 1976 and an MBA from Harvard Business School in 1978.

FIRM BRIEF Edelman (edelman.com) is a global communications firm that partners with businesses and organizations to evolve, promote and protect their brands and reputations. Its 6,000 people in more than 60 offices deliver communications strategies that give its clients the confidence to lead and act with certainty, earning the trust of their stakeholders. Its honors include the Cannes Lions Grand Prix for PR; Advertising Age's 2019 A-List; the Holmes Report's 2018

Global Digital Agency of the Year; and, five times, Glassdoor's Best Places to Work. Since its founding in 1952, Edelman has remained an independent, family-run business. Edelman owns specialty companies Edelman Intelligence (research) and United Entertainment Group (entertainment, sports, lifestyle).

How do you define Edelman's culture and how critical is culture to the success of the company?

Our culture is driven by Dan Edelman's founding principles: entrepreneurship, independence and the mandate that everyone is an account executive. These principles directly impact our approach to the work we do for clients. We continually pursue a respectful and culturally curious workplace that drives innovative thinking, cultivates diverse ideas, and fosters collaboration among our people and partners.

How has Edelman adapted its business to address the challenges caused by the pandemic and how proud are you to see the way Edelman's workforce has shown resilience during this challenging time?

We have learned to collaborate in an effective and efficient manner while not being in the same room. The situation has brought out the best in our people and that is reflected in the innovative purpose-driven work we are doing for clients. Based on the 12 Edelman Trust Barometer special reports we conducted over the past year, we learned that the public was demanding more than words from brands, businesses and government – they wanted action. We are advising our clients that it is no longer about what you say, it's what you do that matters.

I am not only proud, but grateful, for our employees. As I said to them at the close of 2020, I've never been more in awe of our people.

Will you discuss Edelman's commitment to supporting its employees, clients and communities during this uncertain time?

Keeping our staff and their families safe is our top priority and we do that by providing them with the information they need to make informed choices. Most of our employees have been working remotely since last March and will continue to do so until restrictions are lifted and they feel it is safe to return. We are not mandating our employees to get vaccinated but will continue to provide them timely information on the virus and vaccines. We are committed to our employees' well-being and are adding new programs and resources to continue to support them through this time.

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We have also made a commitment to fight injustice and institutional racism and act as an agent of change – within our walls and beyond. To date, our firm has had more than 400 client engagements across all industries and sectors to address the current global call for racial equity. We are advancing clients’ diversity, equity and inclusion strategies and the actions they should take to impact their employees, consumers and communities. We are working inside and out for a more just world.

How critical is it for Edelman to build a diverse and inclusive workforce to bring diverse perspectives and experiences to the table when addressing client needs?

It’s essential. As an industry leader and advisor to businesses and organizations, we believe that we have a fundamental responsibility to join the discussion and lead in driving solutions when it comes to advancing diversity, equity and inclusion. That includes taking a critical look at ourselves. We have accelerated our efforts in diverse hiring and retention, diversifying our board, working with diverse NGOs and non-profits in communities and will continue to encourage our clients to be more directly involved in action and change.

In June 2020, we stood up a Racial Justice Task Force that has been merged with our U.S. Multicultural practice to help authentically and strategically address our clients’ DEI and racial justice communications needs. This work is a catalyst for integrating multicultural perspectives into all the work we do for our clients at all times – not just in crisis moments.

What do you see as the responsibility of leading companies to be engaged in the communities they serve and to being good corporate citizens?

The private sector should strive to create real, meaningful, and positive societal change. According to our recent Edelman Trust Barometer data, 86 percent of people want CEOs to lead on societal issues. Companies that have Purpose as their guiding principle are best positioned to deliver on this mandate. Companies have the right and responsibility to lead on issues like sustainability, racial justice, public health and economic inclusion, particularly as these priorities impact their employees and communities. They should not do this alone, but work with others to take collective actions to solve societal problems.

Will you highlight Edelman’s commitment to corporate social responsibility and ESG and how the company is focusing its efforts in this area?

Corporate social responsibility has been embedded in Edelman’s culture since Dan Edelman opened the firm in 1952. We demonstrate our commitment to citizenship, which is Edelman’s corporate social responsibility mandate, by focusing on four core pillars – our clients, our people, our communities, and our world – and living our fourth company value: the commitment to positively impact society. To us, “citizenship” describes the larger responsibility our firm has to positively influence society. It is about performing our work ethically and with an environmental conscience alongside a sense of tolerance, fairness, and equality.

The Edelman Trust Barometer is the gold standard around the issue of trust. Will you discuss the vision for creating the Edelman Trust Barometer and highlight the recent data from its research?

We started the Edelman Trust Barometer after the 1999 protests of the World Trade Organization’s conference in Seattle which would become known as the “Battle in Seattle.” There was a surge in activism around the world forcing government and business to examine the social and environmental challenges our world faces and the role they needed to play in addressing them. The key findings from this year’s study include:

This is an era of information bankruptcy and most respondents (57 percent) believe societal leaders are purposely spreading false information.

Business (61 percent) is now the most trusted institution and its biggest opportunity to increase trust is by safeguarding information (53 percent).

New expectations of CEOs: they must focus on societal engagement with the same rigor, thoughtfulness and energy used to deliver on profits. More than two-thirds expect them to step in when the government does not fix societal problems.

Trust dropped precipitously in the world’s two largest economies: Trust in the U.S. government is at a mere 40 percent and is even lower in China (30 percent) among foreign respondents; Trust among Chinese citizens in the country’s institutions fell 18 points moving China to second place on the Trust Index and the U.S., in the bottom quartile of countries as of November, dropped a further 5 points post-election (43 percent).

What advice do you offer to young people starting their careers?

Don’t settle. Make sure you go to work for a company that shares your values and principles and takes seriously the importance of being a good corporate citizen. ●

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