Corporate affairs pros are increasingly gaining influence in the C-suite. Industry leaders share insights on what is fueling that charge and how it is transforming the business landscape.

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Bravery is a foundational attribute to success in the corporate affairs role, according to Sally Susman, EVP of corporate affairs at Pfizer. “Courage is just so important in this post,” she says. “You must be able to tell the CEO the truth, no matter how hard it might be. Of course, you need to establish yourself in the C-suite’s eyes to do that. How? Ask a lot of questions to gain as great an understanding as possible about the culture in which things operate. You can only have courageous conversations if you’ve taken the time to build relationships and listen very carefully.”

The trio of leaders who joined Susman at Pfizer’s New York City headquarters for this panel discussion concur that courage is a foundational quality. Of course, it must be supplemented with myriad other characteristics that are necessary to build trust, credibility, and respect for their function in the organizations at which they work.

The business of collaboration
Paul Gennaro took on his role as SVP of corporate communications and CCO at Voya Financial earlier this year, so efforts taken to establish his role remain top of mind. “I met with every business leader, every function leader,” he recalls. “I wanted to understand what their goals were, not what they wanted from communications. It was a lot of reconnaissance and data gathering. Beth Comstock [now vice chair of GE’s Business Innovations unit] advised on a LinkedIn posting not to do anything for six months, but just listen and take things in. So I did.”

“At that point,” he continues, “I was able to sit down with the CEO and effectively lay out what we should be doing based on everything I learned from all the top people in the company. It was logical, transparent, and collaborative. That’s how you build trust, but it’s also how you do this job.”

Perhaps more than any other role in the company, corporate affairs and communications leaders really have to understand the business strategy and objectives,” adds Johnson & Johnson CCO Maggie FitzPatrick. “What are the factors driving business outcomes every day? To be effective in this job, to gain the companywide trust and standing you need, you must know the answer to that question.”

On October 8, a quartet of in-house communicators gathered in New York City for a Pfizer-hosted panel to discuss how corporate affairs leaders are evolving into CEOs’ most trusted advisers while enabling companies to have broader impact than ever before. Gideon Fidelzeid reports
For Verizon’s corporate VP, corporate communications Torod Neptune, it’s more about proving by example.

“I encourage my team to constantly think about the balance between activity and outcomes,” he explains. “Far too many people in our roles focus on volume, but we need to drive business outcomes. We must not slip into the mentality of bean counters. We impact the company’s bottom line. We can also prove it. And that’s how we gain the trust for the function.”

Global outlook
Trust is also a global objective for all companies operating abroad. Corporate affairs leaders are essential drivers there, as well.

In certain cases, this comes into focus during global crises, as Gennaro can attest from various episodes from his career, including one during his time at AECOM that basically came to light while he was doing some weekend shopping near his home (see case study, p.8).

However, establishing trust with global audiences equally demands proactivity. Susman makes a point of getting to know as many US ambassadors around the world as she can, a strategy influenced in part by the fact her father, Louis, is a former US ambassador to the UK.

“As an American company,” she explains, “having that local connection can really help you navigate behind the scenes.”

In addition, regular calls with Pfizer’s country heads around the world are part of Susman’s weekly agenda.

Neptune underscores the pursuit for consistency as an essential goal for establishing trust globally.

“We’re always challenged to be relevant to our stakeholders, which is even tougher globally,” he says. “We are constantly working to provide contextual value to many different audiences around the world. But there is a core narrative to which you must remain true. That helps build trust.”

Leading healthcare companies truly take to heart their responsibility to make a difference in the world. FitzPatrick recalls a recent meeting in London between herself, her CEO Alex Gorsky, and Zoleka Mandela, Nelson Mandela’s granddaughter, who spoke before J&J’s global team to emphasize the great work the company was doing through her foundation.

“That put things into perspective,” notes FitzPatrick. “It further incentivizes me to build the right kind of corporate affairs capability around the world so that J&J can deliver on the promise of what a company such as ours can do across the globe.”
Craving creativity
With all the responsibilities today’s corporate affairs leaders have, they remain PR professionals at their core, so fostering an environment where creativity is allowed to flourish is certainly a crucial part of their focus. For FitzPatrick and J&J, the recently established content lab is a testament to that.

“It’s a great platform to unleash creativity and dynamic content,” she explains. “And it’s been incredibly energizing for our global team. They can tell their own stories in different ways and, with the content lab, they are becoming co-creators of a new manner in which to express J&J in their marketplaces. Whereas they felt restricted before, they are now empowered.”

Neptune’s focus on content has also intensified recently, as he tells of Verizon’s ongoing efforts to create an internal agency that is focused on content and creative thinking. “Our external partners are maniacal about bringing in supremely creative talent,” he notes. “We can learn from them and this can have a significant impact on the way we hire.”

Taking this a step further, Susman feels content’s increasing importance necessitates leaders such as herself to truly support people who take chances, especially as it relates to social media. “Episodes can come up that will make you anxious, but you have to allow things to happen,” she suggests. “You have to encourage the risk.”

In addition, adds Susman, the best corporate affairs heads also allow – in fact, welcome – other senior team members to work directly with other business leaders, even the CEO, without them having to be there all the time.

“One of your biggest responsibilities in this role is to help your team members grow,” she explains. “Working with the most senior leaders of the organization is so important to their development. The knowledge and experience they gain helps them, you, and the company. It’s your job to facilitate that.”

The CEO’s perspective
Throughout the panel discussion, the conversation often returned to how trust in the corporate affairs function is increasingly rising in the CEO’s eyes.

Richard Marshall, global MD of the corporate affairs practice at executive recruiter Korn Ferry, spoke about this evolution during his keynote (see p. 6). However, one need look no further than GE’s iconic former CEO Jack Welch for validation.

During the 2015 Arthur W. Page Society Spring Seminar, Welch emphasized how leadership, at the end of the day, boils down to truth and trust. “And truth will only come if trust has been relentlessly built over the years,” he said. “Companies that establish that truth and trust don’t have a problem dealing with crises that come up.”

While establishing companywide truth and trust is not easy, corporate affairs officers are uniquely qualified to facilitate such a culture, one of the many skills they are bringing to bear as they cement their crucial status at every level of the organizations at which they work.
A key aspect of Sally Susman’s role is advancing – both in counsel and action – Pfizer’s use of its vast assets to make the world better for all.

Though it might not be obvious to all, ensuring her company is a good corporate citizen – and repeatedly reminding the C-suite of its importance – is a responsibility Sally Susman welcomes.

“As corporate affairs head at Pfizer,” says Susman, “I’ve seen firsthand the positive impact our programs have on people in some of the most disadvantaged communities all over the world.”

Beyond oversight of corporate communications and government relations, Susman is vice chair of The Pfizer Foundation, a charitable organization that promotes access to quality healthcare, nurtures innovation, and supports community involvement of the company’s colleagues.

Under Susman’s lead, Pfizer partnered with the UN General Assembly this September as it adopted 17 sustainable development goals to end poverty, improve the lives of the poor, and promote equitable well-being around the world by 2030.

Such efforts (see sidebar) succeed not on the strength of a one-off donation or trip, but rather by setting up a target group for sustained future growth well beyond the initial investment.

“I’ve seen firsthand the positive impact our programs have”
– Sally Susman, Pfizer

“Last Mile” vaccine
Through The Pfizer Foundation, the company provides $3 million to support projects in Africa and Asia to improve immunization coverage. The program focuses on “last mile” interventions to reach children in remote areas in Indonesia, Ethiopia, Malawi, Pakistan, Rwanda, Uganda, and Zambia.

The program focuses on providing health workers with mobile phones and solar-powered tablets to register children and help track vaccination schedules in real time. SMS systems help monitor vaccines and equipment to identify bottlenecks in the supply chain and ensure medicines are always in stock.

Impact investing
The Pfizer Foundation recently implemented a new strategy focused on supporting social entrepreneurs and health innovators with the goal of improving healthcare delivery for populations most in need. Investments are targeted to help catalyze the pipeline of health innovators and provide technical assistance for growth.

For example, Pfizer is working with the Unitus Seed Fund, which provides startup capital to enterprises that serve populations in India and Southeast Asia, and Acumen Capital Markets II, which focuses on India and East Africa.
Richard Marshall, global MD of Korn Ferry’s corporate affairs practice, has conducted searches for some of the industry’s top in-house posts, among them Alibaba, the NFL, PepsiCo, and L’Oréal USA. He shares insights into what Fortune 500 CEOs have told him they seek in corporate affairs leaders.

CEO buy-in is a key facilitator of corporate affairs’ evolution. “Without question, we’re seeing an increased stature of the function among the C-suite and boards,” says Richard Marshall, global MD of the corporate affairs practice at Korn Ferry.

Chief executives also expect so much more from those occupying the position. In turn, the scope of the role is broadening. In some cases, Marshall is seeing a focus on marketing and communications. In others, it’s public affairs and communications. And, increasingly, he is seeing all three and more coming together.

“It must be noted that compensation is increasing, too,” adds Marshall, a definite sign that, indeed, more is expected of the role, but more is also being delivered by those holding such posts.

Marshall cited the panelists who gathered at this event as examples of the “super elite corporate affairs officers” who are redefining the function by exhibiting unmatched strategic value inside their organizations.

**Disruptive forces**

“Every industry is going through transition and transformation,” notes Marshall. “Brands such as Netflix, Uber, and Tesla – and you can name others in almost every sector – are forcing established companies to reevaluate their model. And the C-suite needs elite communicators to redefine where they fit in the marketplace.”

He adds that stakeholder activism is also clearly changing the game. They are smart, savvy, vocal, and have agendas. They draw attention and are “able to shift the nature of the dialogue and, in turn, the strategy your organization might be trying to advance.”

In addition, content needs to be created for the myriad audiences with which all brands must engage. To generate the stories
that will resonate with them all takes a unique and broad skillset that today’s corporate affairs leader must espouse.

Follow the leader
Just as the corporate affairs function is evolving, so too are the CEOs themselves. “Increasingly CEOs are operating more like political figures,” explains Marshall. “Their tenures tend to be a bit shorter than in the past. They have different game plans in terms of what they want to do and they need help in advancing that agenda. It’s not a straight line anymore with these macro economic factors. Numerous outside forces exist they can’t control. In this more politicized business world, CEOs need corporate affairs pros to counsel and guide them through a tricky landscape.”

Another CEO mandate for the role revolves around business acumen. As Marshall emphasizes, corporate affairs leaders need to understand how the company operates and how it makes money. Equally in demand are diplomatic skills that allow them to navigate inside the organization and build stronger internal relationships between departments.

“In political parlance,” he notes, “the role is now less press secretary and more strategic political adviser. It’s shifting from Josh Earnest to David Axelrod. It’s about advising, counseling, and being the strategist that helps the CEO and the leadership team navigate through any and all situations.”

Another notable shift Marshall is seeing is CEOs’ increased appreciation for proactivity in the corporate affairs function. “Corporate leaders appreciate how critical PR is when you’re under pressure,” he says, “but more of them are asking about the offensive skillset. Can they define the brand narrative moving forward in a dynamic landscape?”

Furthermore, CEOs are less concerned about whether it’s a marketing, public affairs, or communications person leading on this. “They want a single source,” claims Marshall, “a go-to person who understands how all those things fit together. The best corporate affairs pros meet that mandate.”

Tools of the trade
According to Korn Ferry research, a strategic mindset and courage are two essential traits for today’s top communications executives (see ABCs for today’s CCO, p.10). However, as Marshall notes, there are many more. “Learning agility is crucial,” he advises. “You need to process information in real time, distill, synthesize, and interpret what is going on in the outside world and be that voice inside the organization.”

Marshall also highlighted relationship-building and problem-solving. In the latter case, he stressed the ability and willingness to step up and take responsibility. “CEOs want solutions,” Marshall concludes. “Corporate affairs leaders have a golden opportunity to provide those solutions if they act as integrators who proactively connect, coordinate, and enable the entire organization to move ahead.”

Leadership thought
CEOs are expanding their mandate for best-in-class corporate affairs officers. The role is not easy to define, but some of the industry’s leading minds have strong convictions about keys to success for both the executives and the companies that employ them.
Case study: Overcoming a world of trouble

When your intern turns out to be the leader of a faction that started a war in Libya, your crisis comms mettle is fully tested. Paul Gennaro faced this in 2011 while at AECOM. Citing publicly available information, he told a story that highlights how corporate affairs savvy can stem damage from the most unexpected of global crises.

In December 2007, AECOM signed a five-year, $574 million contract to manage a $50 billion program for the Libyan government to advance public infrastructure.

In January 2011, AECOM agreed to a short-term educational internship for Khamis Gaddafi, a 27-year-old MBA student from an accredited Spanish university, and the youngest son of Muammar Gaddafi, Libya’s primary leader from 1969 through 2011. The US State Department supported the internship.

“When the company agreed to the internship, the US had normalized relations with Libya; the Libyans were investing in quality-of-life projects; and Khamis was seen as a progressive,” notes Gennaro. The internship included a visit to New York City during the week of February 14, as Arab Spring protests began to emerge in Libya.

“On Thursday morning, I took Khamis to the New York Stock Exchange for the opening bell,” he adds. “That evening, the internship was cut short and he returned to Tripoli.”

Two days later, while shopping with his family at a mall, Gennaro checked his phone to see war had broken out in Libya. Terrible news compounded by the fact AECOM had 180 expatriate employees there, 170 in Tripoli. This created an immediate crisis and government affairs issue, as the company had to work with the US government to evacuate its people from a country at war.

“We also had 10 staffers in Benghazi,” he says. “The US was not evacuating people, so we pursued many options, including liaising with the British government. Five days into the crisis, we were able to get our people out on the HMS Cumberland.”

While staff safety was the top priority, myriad other issues emerged, including, but not limited to, updating the board, keeping the rest of the workforce and clients updated, communication with the US and foreign governments, and financial comms.

“But that wasn’t all,” adds Gennaro. “The war started when the Khamis Brigade attacked Benghazi. On my phone, I read the words ‘Khamis Brigade.’ I said to myself, ‘Please let it be another Khamis,’ but then read ‘led by Gaddafi’s youngest son.’ I knew we had a potential media crisis.”

Thirty-three days later, an investigative reporter from ABC News contacted AECOM. A proactive strategy was implemented, one in which Gennaro was transparent with reporters at The Washington Post and Associated Press.

“When we read reports citing the intern’s role in the crisis, we were shocked and outraged, and it was important we let people know that,” he explains. Additional media inquiries received the same level of openness.

“My recommendation was to be open and transparent,” Gennaro shares. “During the internship, the world changed, but the underlying premise was sound when it began.”

There was a brief media frenzy, but five days later, it was largely done. By Gennaro’s account, about 85% of coverage was balanced, reflecting AECOM’s messaging.

“This remains,” he concludes, “the best example of a global challenge, how quickly things can move, what is required of our function, and how we, if prepared, are positioned to help our organizations at the most crucial junctures.”

“My recommendation was to be open and transparent” – Paul Gennaro, Voya Financial

Lessons learned

• When in a crisis, set expectations with leadership. If it’s bad, let them know and get buy-in for the mitigation strategy.

• Be aggressive – in fact, obsessive – in defending reputation. Make it personal.

• Have a second crisis comms manager ready if another issue arises while you are focused on the primary one.
Vox Pop

Sally Susman  
EVP, corporate affairs, Pfizer

Torod Neptune  
Corporate VP, corporate comms, Verizon

Maggie FitzPatrick  
CCO, Johnson & Johnson

Paul Gennaro  
SVP of corporate comms, CCO, Voya Financial

Define what “corporate affairs” means to your company?

Business leaders bring us their worst problems and biggest opportunities. In pharma, drug pricing certainly falls under the problems tab. I get really excited by the big opportunities: The launch of a new drug or explaining how oncology medicines help cure cancer. The corporate affairs role is the ultimate offense/defense play.

It’s the conscience of the company internally and externally, as well as the shepherd of the brand. We also operate very much as business advisers. Our CEO likes to say he wants “one voice of truth about what’s happening internally and what the reality is externally.” That’s the role our function plays.

We’re in 68 countries and serve 1 billion people a day. Corporate affairs drives the necessary connections and relevancy that enable business growth. We are also the keepers of the cradle who inform leadership of stakeholder expectations and whether or not we are meeting them.

I look back to the Arthur W. Page Society’s 2013 research where a new model was created for corporate communications. One term introduced was “curator of corporate character.” That captures the opportunity this function has. We work with marketing, digital, and other arms, but we bring it all together to define the brand and its character.

How has your interaction with government – a key audience for the corporate affairs function – evolved?

Increasingly, government relations is not deemed the sole purview of those with “government relations” in their title. I joined our CEO recently on a White House trip to discuss the Trans-Pacific Partnership trade agreement. Other senior leaders at Pfizer are doing the same globally. It’s become a go-to activity and a team sport for our leadership group.

Policymakers have historically been a key audience for us, but this digital age has forced us to consider consumers as perhaps our primary audience. Most issues we care about and advocate for are driven by consumers, so we’re pivoting hard to think about consumer positioning as the conduit to engage government’s most influential policymakers.

In healthcare there are a multitude of challenges, such as escalating costs, rising chronic disease, and an expanding middle class. People look to government to address all these matters and we can play a huge role in helping find answers. Our role is clear: We have a responsibility to provide insight and direction to help governments solve those critical issues.

Having a diverse board is very important for Voya. After a recent meeting with the Massachusetts state treasurer, they went on record saying they would not invest in boards that are not at least 20% diverse. It exemplifies audience convergence, message convergence, and the kinds of conversations we need to have with entities that invest in us.

How has social media’s prevalence, including the rise of stakeholders’ power, impacted your roles?

I credit my team for a lot, but this area is certainly one where I do so. We’ve created a core group of people with the experience and know-how to get stuff done in this digital age. We’ve moved far beyond being a production shop to a squad nimble enough to handle issues, seize opportunities, and create new narratives for the company.

Part of it is in how I recruit. I look for business counselors who understand how to utilize communications levers when appropriate. Beyond that, where we were once exclusively focused on media in our outreach, today’s approach is much more toward audiences that can directly impact key business objectives, such as market outcomes and growth.

We’ve spent a great amount of time in recent years developing insights and analytics to understand in real time what our stakeholders think and expect, as well as the variables between that expectation and where we are. More than ever, we must become the key part of that dialogue that drives relevancy and trust.

You need to collaborate in the fast-paced reality of the digital age. Consultants will often advise on the importance of staying in your swim lane. I don’t. I go to the lane where I can get the most done. Moreover, I want others to come into my swim lane if we can partner together and accomplish what is necessary.
Many corporate affairs pros are still battling to earn that trusted adviser and strategist status in the C-suite. How have you done it?

I wouldn’t work at a company that didn’t deem corporate affairs as essential. I’ve worked in three industries – financial services, consumer products, and pharma – and all my companies cared about their place in the public square. It’s not just about great products; it’s doing things that matter. Not coincidentally, all those companies value corporate affairs.

You have to model the value of the function before you can demand to be there. You need a strategic view of outcomes versus activity. And you must be able to talk about the value your function and team bring to the business-impacting results members of the C-suite most care about and are tasked with driving themselves.

Demonstrate value every day, but also be brave. It takes courage to argue another side of a perspective within an executive boardroom, but those are the times you really show the C-suite what you bring to the table. You must be diplomatic about it, but that’s an important role our function must be seen as playing.

You must be able to self-assess. But, frankly and most of all, just get things done and you’ll be noticed. I recall a former boss tasking my team with a job that traditionally would go to HR. I wondered why. He simply said, “You guys get stuff done.” That’s where you want to be.

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## TAKEWAYS THAT HIGHLIGHT ESSENTIAL TOOLS NEEDED BY TODAY’S CORPORATE AFFAIRS LEADER

1. **There is no substitute for business acumen.** Corporate affairs pros need to understand how a company operates at all levels and how it makes money.

2. **It’s not enough to interpret the organization’s strategy.** Corporate affairs heads must contribute to it, which often means identifying things that aren’t working and bringing up issues others have not considered.

3. **CEOs are increasingly appreciating the ability to play offense, not just defense.** Being a superior crisis manager is obviously vital, but can you proactively define the brand narrative in today’s dynamic landscape?

4. **Courage is essential to establishing ultimate value in the role to the C-suite.** No matter how difficult it might be, you must be able to tell your CEO the truth.

5. **To most effectively perform your duties and lay out plans that are going to work for the entire company, you must understand what every other department leader’s goals are and not only what they expect from you.**

6. **Empowering your staffers has to be a priority.** This includes encouraging your team members to be creative with content and take some risks, while also facilitating their direct interaction with the company’s top leaders.

7. **Global alliances are essential to succeed in this role.** Establish relationships with as many US ambassadors as you can and make sure to consistently stay in touch with your company’s heads in other countries.

8. **With the major transitions and transformations every industry is going through, the C-suite needs elite corporate affairs pros to help redefine where they fit in the marketplace.**

9. **When dealing with a major crisis, have a second crisis communications manager ready if other issues arise while you are focused on the primary one.** You need not – nor should you – do everything yourself.

10. **In the first six months or so in the position of corporate affairs leader, the main objective should be listening, learning, and taking things in from the organization’s other business leaders.**