

# A Barometer for 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, and has counseled countries in every region of the world on economic development programs. 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 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.



Richard Edelman

**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. Our 6,000 people in more than 60 offices deliver communications strategies that give our clients the confidence to lead and act with certainty, earning the trust of their stakeholders. Our honors include Cannes Lions Grand Prix awards for PR (2016) and the Entertainment Lions for Sport (2021); Cannes Lions Independent Agency of the Year for the Entertainment Track (2021); 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 our founding in 1952 by Dan Edelman, we have remained an independent, family-run company. Edelman owns specialty companies Edelman Data & Intelligence (research) and United Entertainment Group (entertainment, sports, lifestyle).

## How do you define Edelman's purpose?

Our purpose as a firm is to provide strategic communications counseling and programming to clients that will allow them to take action to improve society and build trusted relationships across stakeholders. For clients, we define purpose as the strategic intersection between what a business does, the impact it has on people and the planet, and its ability to bring about positive, transformative change in society. We help companies define and evolve their role in society by uncovering their purpose, creating a roadmap for action and inspiring others to join them.

## Will you highlight Edelman's commitment to global citizenship and how deeply engaged Edelman's workforce is in the firm's citizenship work?

Edelman's commitment to global citizenship and giving back to the community has been embedded in our culture since Dan Edelman opened the firm in 1952, and we are proud to continue that tradition today. Edelman's fourth core value, The Commitment to Positively Impact Society, encompasses our approach to citizenship. To us, "citizenship" describes the larger responsibility our firm has to society. It is about performing our work with an environmental conscience and a sense of tolerance, fairness, and equality. In FY21, Edelman employees contributed over 23,000 hours to community engagement.

Today, our program includes, but is not limited to, the following:

- Greenhouse gas emissions tracking and reporting
- Community investment grant distribution
- Pro bono programs
- Volunteerism initiatives
- Responsible procurement

## How critical is it for Edelman to build a diverse and inclusive workforce that mirrors the diversity of its clients and the communities it serves?

It's essential. As an industry leader and advisor to businesses and organizations, we have a fundamental responsibility to advance diversity, equity and inclusion inside and outside of our firm. As of September 2021, we reached our goal of achieving a 30 percent racially/ethnically

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diverse workforce in the U.S. (ahead of our 2022 goal). As of September 2021, 53 percent of our global leadership were women, and 57 percent of our U.S. leadership were women.

Internally, to build a more open and transparent environment, we’ve focused on advancing, evolving and transforming DEI at the firm. We have accelerated efforts in diverse hiring and retention, diversifying our board, assessing equity measures, partnering with diverse NGOs and nonprofits, and encouraging our clients to be more directly involved in action and change.

Over the last two years, Edelman has conducted several Trust Barometer Special Reports on social and racial justice in America. The insights captured have pointed to a shift in consumers’ mindsets and priorities, and the employee/employer relationship. The findings from these reports have helped us, the organizations we counsel, and others to become better stewards in driving effective DEI practices, including consistently integrating multicultural perspectives into all our client work to ensure cultural relevance and resonance.

**What has made the concept of trust such a focus for Edelman and what was the vision for making the study of trust such a major part of Edelman’s work over 20 years ago?**

Our belief is that trust drives growth – growth that goes beyond financial metrics. Our work is communications premised on action and we want to be the communications partner of choice for companies and brands willing to take actions that can change society. Our research and counsel turn the data we collect into real-world insights that help clients plan, make decisions and spark movements.

**How did the Edelman Trust Barometer come about and what is the purpose of the Trust Barometer?**

We started the Edelman Trust Barometer after the 1999 protests of the World Trade Organization’s conference in Seattle, which became 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 purpose of the Trust Barometer is to measure trust in society’s institutions, its leaders and communications platforms and examine how they can work together and lead society in addressing the challenges of our time.

**Will you discuss the idea that trust is the ultimate currency in the relationship that all institutions – business, governments, NGOs and media – build with their stakeholders?**

Trust defines an organization’s license to operate and lead. It is the foundation that allows an organization to take responsible risk and rebound from its mistakes. For a business, especially, lasting trust is the strongest insurance against competitive disruption, the antidote to consumer indifference, and the best path to continued growth. Most importantly, trust is key to the new employee/employer compact that business needs to lean into to retain teams and meet expectations. Without trust, credibility is lost and reputation can be threatened.

**Will you highlight the top findings from the 2022 Edelman Trust Barometer?**

Government and media are fueling a cycle of distrust threatening social stability, making

distrust the default emotion for society; 59 percent say they tend to distrust until seeing evidence that something is trustworthy. Government and media are seen as divisive forces in society; Nearly one out of every two respondents view government (48 percent) and media (46 percent) as divisive, and two-thirds of people believe they are intentionally being lied to by journalists (67 percent) and government leaders (66 percent).

Business (61 percent) remains the most trusted institution with even greater expectations due to government’s failure to lead during the pandemic; by five-to-one, respondents want business to play a larger role on climate change, economic inequality, workforce reskilling and addressing racial injustice.

There is a collapse of trust in developed democracies; not one, aside from India, reached a score of 60 on this year’s Trust Index, including Australia (53), France (50), Germany (46), U.K. (44) and U.S. (43), which has dropped 10 points since 2017. This is driven by a majority of respondents in every democracy believing they will be worse off financially in five years and 85 percent fearing they will lose their jobs to forces including automation.

**What advice do you offer young people beginning their careers?**

You hold the power so do not settle. Work for a company that shares your values and principles and takes seriously the importance of being a good corporate citizen and making a positive impact on society. ●

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