

Talent and Capabilities

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

EDITORS' NOTE Richard Edelman is the CEO of Edelman, a global communications firm, and Chairman of Daniel J. Edelman Holdings, the firm's holding company. He was named CEO in 1996, taking over for his father who remained Chairman until he passed away in 2013. Now in his 26th year as CEO, Edelman is one of the longest tenured agency leaders in the marketing services industry. During that time, he has guided the firm's entry into digital, creative, performance marketing and advisory. He also serves as Chair of Edelman's sister agency, Zeno, which was named large agency of the year in 2021 and 2022 by PRWeek. Zeno employs 730+ people across 18 offices. As the creator of the annual Edelman Trust Barometer, he has become one of the foremost authorities on trust in business, government, media and NGOs. In 2022, Edelman was inducted into the American Advertising Hall of Fame, the first PR executive to ever earn this honor. 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 into the Arthur W. Page Society's Hall of Fame; Advertising Age named him Agency Executive of the Year in 2008. Edelman serves on the Board of Directors of the Ad Council, the Chief Executives for Corporate Purpose (CECP), 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 his MBA from Harvard Business School in 1978 and a BA degree from Harvard College in 1976.



Richard Edelman

of the Year for the Entertainment Track (2021); Cannes Lions Co-Independent Agency of the Year for the Good Track (2022); 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 Global Advisory (public affairs), Edelman Smithfield (financial), Edelman Data x Intelligence (research, data), and

United Entertainment Group (entertainment, sports, lifestyle).

How do you define Edelman's purpose and mission?

Our purpose and mission 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. 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.

What have been the keys to Edelman's industry leadership and ability to build long-standing client relationships?

Making sure that we always put the clients and the work first. Our independence has allowed us to do that. It has enabled us to not

only see around the corner for what is coming next, but most importantly it has allowed us to make the necessary investments in talent and capabilities.

We have also put trust at the center of everything we do. We believe that action earns trust, and we are not afraid to take chances and push clients to do work that makes a difference and sparks movements.

What was the vision for creating the Edelman Trust Barometer and how has it evolved?

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 highlight the results of the 2022 Edelman Trust Barometer and the key takeaways from this year's results?

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.

“Our purpose and mission 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.”

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), UK (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.

There have been three key trends driving corporate responsibility:

1. CEOs of companies like Starbucks, Unilever and PepsiCo who initiated ideas and programs that focused largely on purpose and sustainability.

2. The perception of government as incompetent, which is driving the expectation of business to step in and fill the void.

3. Trust is local and therefore employees and consumers are holding business to account on a daily basis. They expect action on the issues facing society – climate change, racial injustice, job security, LGBTQ+ rights, geopolitics, gun violence, reproductive rights and more. All of this is now falling to companies in our new reality of Society in Business, where employees and consumers see that their companies and brands have the power to make change.

Will you discuss Edelman's long and deep commitment to New York?

New York became our co-headquarters when I became CEO in 1996. It is now the largest office in our network. We moved to Lower Manhattan 13 years ago because we

“We have also put trust at the center of everything we do. We believe that action earns trust, and we are not afraid to take chances and push clients to do work that makes a difference and sparks movements.”

thought it was important to help bring business and people back downtown after 9/11. We worked with the city on the Lower Manhattan Development Corporation and the rebuilding of downtown and we worked pro bono with the 9/11 Museum & Memorial. I also sit on the board of the museum. New York is as much a part of this agency's history as Chicago, where my father founded the agency in 1952.

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

It is essential. We have a fundamental responsibility to advance diversity, equity and inclusion inside and outside of our firm. In September 2021, we reached our goal of achieving a 30 percent racially/ethnically 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.

We have more to do, and this will remain a priority for the firm.

What do you see as Edelman's responsibility to be a good corporate citizen and to be a force for good in society?

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 FY22, Edelman employees contributed over 21,000 hours to community engagement. Today, our program includes greenhouse gas emissions tracking and reporting, community investment grant distribution, pro bono programs, volunteerism initiatives, responsible procurement, and more.

What do you feel are the keys to effective leadership and how do you describe your management style?

To lead from the front, to lead by example and to be transparent and communicate often with your employees and stakeholders. I wake up every day and try to do just that; work on clients, take part in pitches, meet with journalists, mentor other executives, and live the motto my father tried to instill in everyone who worked here: everyone is an account executive.

What advice do you offer to young people interested in building a career in communications?

Be sure to work for a company that shares your values and principles. Make sure it takes seriously the importance of being a good corporate citizen and making a positive impact on society. ●

“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.”