

# Trust Factor: CSR No Substitute for a Visible CEO



As a practitioner who counsels primarily very senior executives and CEOs, one of the most frequent questions I'm asked is, "When is PR going to step up and solve the business reputation issues that are so adverse and negative in the country?" I'm also frequently asked by CEOs, "Is the public *really* angry at me and all CEOs the way it appears in the media?"

Well, the answer to the first question, very clearly, is that this is a management problem and issue before it is a PR problem or issue. The answer to the second question is "Yes," and it will take constructive direct involvement and leadership by CEOs if they want to see the situation remedied.

The PR profession has bent over backward doing what it can, but its principal weapon, something called corporate social responsibility or CSR, will never do the trick. The evidence is starting to mount.

**MIT Sloan School of Management**/*Wall Street Journal* published a special section, "The Case Against Corporate Social Responsibility," in late August 2010. The article pointed out the confusion and conflict of interest created when an organization does good, takes credit for that good and then profits from that good as well.

CEOs must step up in a variety of forums, as well as

internally, and begin talking about what responsible business practices are, sharing their own personal views, comments and values and making public commitments to detect, prevent, deter and publicly punish wrongdoing. Employees are frustrated and waiting. The government and the public also wait while the silence and inaction of CEOs continues.

## NAME CALLING

A management culture has developed over time of avoiding, even disdaining, visibility as grandstanding and for keeping what is happening in or to an organization inside. The resulting silence causes suspicion, fear and trust loss.

Executives have been taught or have learned that to show emotion, or deal publicly with issues other than those that can be measured, is a show of weakness. I call it the "sissy factor." In fact, their peers will call and criticize them for reacting like wimps. Even those who have obviously been victimized by an organization, its products or its practices are treated first as suspects rather than as victims.

## STANDING UP HAS RISKS

CEOs clearly recognize that visibility can lead to newsworthiness. It is still the rare CEO who truly understands

the power and the nature of being visible—not only inside the organization but in other venues as well. There are few models of success; mostly we find stumbles, fumbles, mumbles and bumbles.

## THE COMMUNICATOR AND THE CEO

Watching how my PR colleagues behave in these situations, the most important and obvious problem is that many seem to know very little about what their CEOs, senior managers and operators do. Of all the staff functions, PR seems to have the least substantive contact with managerial leadership. More often than not, when we do have contact, we are busy talking about the news media, or new media, which are among the last things that matter to executives.

Until we recognize that all problems and issues that organizations and leaders face are management related before they become other kinds of problems—and we approach them from that perspective—only then will we be able to tell our leaders that if they want to be respected and trusted. There will have to be a lot more talking by the people at the top.

I think the thought expressed by the MIT Sloan article in *The Wall Street Journal* is key: America is a commercial democracy.

Companies are obligated to act responsibly and to operate legally. Do companies have a responsibility to act in the "public interest," especially when the CEO has a nice letter in the front of the annual CSR report, but stays out of sight when other questions get asked?

It would be easy to say "yes," but then additional questions arise, like "Whose interests will it benefit?" and, "Will I profit from it?" CSR may really do good, but it has become a substitute for the personal public visibility and availability of CEOs and top leaders. Rebuilding public and employee trust is a personal responsibility of leadership. Trust has never been built in this country with a checkbook.

Today's pitiful public esteem of corporate organizations, public institutions and their leaders is a reflection of this failed double-edged strategy of silence and a checkbook. Trust and respect will only get better when the right people stand up and start talking. **PRN**

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