

Richard Levick to Speak at NIRI Conference on Managing Risk and Leveraging Social Media



At the NIRI 2017 Annual Conference, Richard Levick, chairman & CEO of LEVICK, a global communications firm that represents countries and companies in matters ranging from the Wall Street crisis and the Gulf oil spill to the Catholic Church and Guantanamo Bay, will address the unique enterprise risks that social media, and particularly Donald Trump's use of Twitter to attack or praise individual businesses, represent for public traded companies. Levick spoke about some of these issues in this interview with *IR Update*.

What changes in risk management since November 2016 directly affect companies and their shareholders?

Think about the presidential campaign for a moment. Clinton had better ground organization and endorsements. But Trump had an advantage with his use of social media. Translate that for a publicly traded company. Suddenly it isn't just about analysts and *The Wall Street Journal*; now it's also about non-customers and non-shareholders. Now companies must engage new publics and do so emotionally and credibly.

There's also a new challenge in terms of how companies should position themselves if the Trump administration publicly challenges them. Each situation demands separate analysis of whether to conciliate, go on a counter-offensive, or simply ignore it. In each situation, IR professionals must understand the buying habits and

the politics of customers as well as shareholders.

How well have public companies responded?

It's a mixed bag but clearly many companies are still over-reliant on traditional communications: ads, op-eds, PACs, etc. Their reliance on lobbying and political contributions is especially complacent. To snatch a phrase from the movies, that's like bringing a knife to a gunfight.

How should public companies engage on the Internet?

Companies and industries should be looking for signs of risk. Do they check to see if they're targeted on Facebook or added to a Change.org petition? Have they been added to the growing boycott list on #GrabYourWallet? Are campaigns by plaintiffs' lawyers driving search engine results? Are risk issues increasingly prominent on Google? Are they watching

the fundraising letters and online appeals from NGOs?

Is there a separate message here for IR professionals?

There are many, but one thing I'd emphasize is that IR professionals should be thinking beyond shareholders to include the whole range of both stakeholders and non-stakeholders, for those multitudes directly affect investors as never before. IR professionals should be thinking about politics in the new Washington.

Are there any industries that should be especially attentive to these megatrends in risk management?

Every company needs to be thoughtful about the new reality. For business-to-consumer companies, the calculus is easier because they can see what's happening in their own demographics and determine the evolving trends.

Business-to-business com-

municators face a sea change; they have to realize that there's no longer such a thing as B-to-B communications. Too many audiences are interested in what these companies are doing and with whom they are doing business.

Business-to-government companies have the greatest challenge as they have a single customer. Keeping that customer satisfied when the president has the most powerful thumbs on the planet is a new challenge. They need to watch the his approval rating and how Congress responds to those fluctuations.

What can we expect from your session?

Expect discussion of best practices – what they are and how they're evolving. We'll discuss the mindset that's needed in this radically changed environment and the available resources – human and otherwise, which businesses can use to survive. **IR**