

A REALITY CHECK FOR TRUST IN THE NEW NORMAL

At both a personal and institutional level, the Covid-19 pandemic has highlighted the importance of trust in facing and overcoming crisis – and the fundamental role of communications.



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When we conceived of our new research project .trust over two years ago, none of us could have imagined a crisis as profound as the one that 2020 has brought and how this new scenario would underscore the importance of trust in the relationships that are the backbone of our societies and economies.

When it came to the way companies dealt with this unprecedented situation, it's been clear that concrete facts and substantive responses speak volumes about their impact and credibility while it became much easier to see through stock statements and hollow gestures.

The way the Covid-19 emergency has rewired the relationship between ordinary citizens, the public sector and business has been eloquently highlighted by a study carried out by GlobeScan examining the context in which companies operate.

In the survey conducted in June 2020, 55% of respondents in 27 countries expressed

the need for a “restructuring” of the economy in order to better respond to challenges like inequality and the climate emergency while 45% simply wanted the economy to get “back to normal” as soon as possible. In European countries like France, Germany and Italy more than six in 10 wished for an economic “reset”.

The role for business in an economic reset

GlobeScan also asked respondents how much trust they have in different economic and social institutions: it's interesting to see that global companies were almost at the bottom of this list (coming in just above the media, which were deemed least trustworthy) while “national companies” are seen rather more favourably.

At the top of this trust ranking (by a good stretch) we find the medical profession and science/academic institutions.

But the study reveals that trust in business spiked higher in 2020 and that of national companies has been on the rise for years. This trend is supported by other research that shows how consumers are more conscious of their ability to effect change through their purchasing choices and the way many investors are convinced that sustainability leaders offer a better (and less risky) return in the long term.

As we face an increasingly uncertain future, the success of our national communities and economies rests to a good degree on how companies respond to the crisis. Businesses need to be proactive, show they are resilient in the face of a constantly evolving environment and contributing concretely to the construction of a new future.

We face radical transformations on a number of fronts and companies will need to be closely in tune with their stakeholders' expectations and explain clearly the role they intend play, aligning this "purpose" in society with their business strategy, innovation and sustainability approach.

Could we have been better prepared?

The shift in scenario brought about by the Covid-19 crisis was not a bolt from the blue and will not remain as a simple

hiatus in our lives, a momentary aberration that we can put behind us. The expression "post-Covid" is just journalistic trope: there will be no easy way to draw a line between pre and post. Rather, the pandemic was a catalyst, accelerating a series of trends that were already underway, perhaps remaining below the radar for many.

For example, the Global Risks Report 2020 from the World Economic Forum listed among the top 10 priorities in terms of impact a series of environmental factors, including climate change and biodiversity loss, alongside technological shocks and even infectious diseases. Sobering reading with hindsight.

In this context, communication plays a key role in gaining and retaining trust: clear, timely and authoritative information has been critical for all of us needing to make decisions in the face of significant uncertainties.

The "new normal" therefore favours those who can express a clear vision of their business transformation, articulate the complementary roles of sustainability and innovation, and engage multiple stakeholder categories through authentic and direct dialogue.

Some companies made sure they were prepared for this kind of an environment, for others it has been a wake-up call that should be heard loud and clear.

