CONNECTED CRISIS

2021 Study
USA

Edelman
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>About the Study</td>
<td>03</td>
</tr>
<tr>
<td>A World of Crisis</td>
<td>04</td>
</tr>
<tr>
<td>Preparing for Activism</td>
<td>13</td>
</tr>
<tr>
<td>Adapting to the Digital Landscape</td>
<td>19</td>
</tr>
<tr>
<td>Key Takeaways</td>
<td>25</td>
</tr>
<tr>
<td>Contact Information</td>
<td>28</td>
</tr>
</tbody>
</table>
ABOUT THE STUDY

Edelman DXI conducted primary research among business executives, in order to understand their views on the shifting landscape when it comes to crisis management.

Purpose of the research
Understanding executives’ level of preparedness to crises, and the tools and platforms they use in response to crisis

Audience
100 x crisis management / business continuity executives per market – all individuals have a decision-making role for their organisation when it comes to crisis management. We ensure a mix of industries within the sample.

Markets
The study was conducted across 9 markets. The results presented here are specific to the USA. Canada, China, France, Germany, Saudi Arabia, Singapore, South Africa, UK, USA

Fieldwork
• The fieldwork for this 15-minute online survey was conducted between 7th July 2021 and 16th July 2021.
• A mix of company sizes have been surveyed – based on number of employees, as well as annual turnover – and industries on a global level.
• Statistical significance has been tested on 95% confidence level.
A WORLD OF CRISIS
Pandemic effects ripple across businesses

Social movements lead to a reckoning for business

Climate change driving business evolution

Cyber attacks evolving and increasing
Edelman Connected Crisis 2021 Study. Q1. How many crises would you say your company has faced over the past 3 years? Base size: All respondents – 101 in the USA. // Q2. Which of the following types of crises has your company faced in the past 3 years? Base size: All respondents – 101 in the USA.

WE ARE IN A WORLD OF CRISIS.

Crises can no longer be seen as moments in time.

92% of executives have faced at least one large crisis with business impact over the past three years. 88% global average.

Executives have faced, on average, 5 different types of crises over the past 3 years, from cybersecurity and cybercrime issues through to digital attacks and product failures.
NEW CRISIS DYNAMICS ARE DISRUPTING BUSINESSES

The pervasive impact of digital channels has changed the way issues are formed, spread and sustained.

ACTIVISM IS EVERYWHERE
Over 8 in 10 (84%) executives say that recent social, diversity and inclusion activism is making crisis more difficult to manage. 74% global average

SYSTEMIC ISSUES RIPPLE THROUGH ECOSYSTEMS
Nearly 7 in 10 (69%) executives say that crisis situations increasingly put their whole business at risk. 68% global average

WEAPONIZATION OF CRISIS
8 in 10 executives (81%) say misinformation and disinformation issues pose an increasing threat to companies. 75% global average

RISE OF THE “Mega Crisis”
Over 8 in 10 (82%) executives say the digital-first landscape (i.e. use of social media and digital channels) is making issues and crises more difficult to manage. 75% global average

Edelman Connected Crisis 2021 Study. Q19. To what extent do you agree or disagree with the following statements? ‘Recent social, diversity and inclusion activism is making crisis more difficult to manage’. Top 3. Base size: All respondents – 101 in the USA. // Q8. To what extent do you agree or disagree with the following statements about your company’s preparedness to crisis? ‘Crisis situations increasingly put my whole business at risk’. Top 3. Base size: All respondents – 101 in the USA. // Q21. Thinking about misinformation and disinformation risks specifically, to what extent do you agree or disagree with the following statements? ‘Misinformation and disinformation issues pose an increasing threat to companies’. Top 3. Base size: All respondents – 101 in the USA.
91% of executives believe that, in a world where everything is connected, it has never been more important to build corporate and brand resilience significantly higher than the global average of 80%.

Edelman Connected Crisis 2021 Study. Q19. To what extent do you agree or disagree with the following statements? 'In a world where everything is connected, it has never been more important to build corporate and brand resilience'. Base size: All respondents — 101 in the USA.
% who have said their company has faced the following issues in the past 3 years
Figures in light blue are significantly higher / lower than the global average (95% confidence).

Financial, legal & regulatory issues
33%

Activism against the company
29%

Product and supply chain issues
32%

Technology failures
32%

Labour issues and leadership changes
31%

Misconduct
27%

Geopolitical and humanitarian issues
22%

Online / Social media /Digital attacks
21%

Cybersecurity and cybercrime
26%

Environmental issues
18%

Viral social media conversation
15%

Misinformation / disinformation issues
16%

Terrorism
8%

Diversity and inclusion
12%

Edelman Connected Crisis 2021 Study. Q2. Which of the following types of crises has your company faced in the past 3 years? Base size: All respondents – 101 in the USA.
Figures in blue are significantly higher or lower than the average and figures in purple are significantly lower than the average (95% confidence interval).
Activism against the company (including employee, shareholder and customer)

Digital issues (including cybercrime and cybersecurity, viral social media conversation, online / social media or digital attacks)

Product & supply chain issues (including product failure, quality or integrity issues or supply chain issues and disruption)

Diversity and inclusion related issues

Environmental issues (including natural disasters)

Activism and digital issues are the most anticipated issues. Activism, in particular, is anticipated in the USA, with 85% of executives expecting to face activism-related issues over the next three years, significantly higher than the global average of 74%.

Edelman Connected Crisis 2021 Study. Q2. Which of the following types of crises has your company faced in the past 3 years? Base size: All respondents = 101 in the USA. // Q4. How likely do you think it is for your company to face each of the following issues in the next 3 years? Top 3. Base size: All respondents = 101 in the USA.
FREQUENT AND DISRUPTIVE IS THE NEW NORM.

% who say their company is likely to face the following issue over the next 3 years...

- Shareholder activism against the company: 76%
  - 62% global average

- Employee activism against the company: 72%
  - 62% global average

- Online / social media / digital attacks: 71%
  - 54% global average

- Misinformation / disinformation issues: 69%
  - 57% global average

- Viral social media issues: 64%
  - 59% global average

- Consumer activism against the company: 64%
  - 63% global average

- Technology failures: 59%
  - 52% global average

- Cybersecurity and cybercrime: 58%
  - 62% global average

- Diversity and inclusion issues: 58%
  - 51% global average

7 in 10 executives consider that their company is likely to face external online/social media/digital attacks.

Edelman Connected Crisis 2021 Study, Q4. How likely do you think it is for your company to face each of the following issues in the next 3 years? Top 3. Base size: All respondents – 101 in the USA. Figures in blue are significantly higher or lower than the average and figures in purple are significantly lower than the average (95% confidence interval).
### Companies are Not Prepared.

Only 1 in 2 executives say their company is well prepared to handle crises on a timely basis.

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Labour issues</th>
<th>Employee activism (against our company)</th>
<th>Humanitarian issues</th>
<th>Online / social media / digital attacks</th>
<th>Diversity and inclusion issues</th>
<th>Technology failures</th>
<th>Workplace misconduct</th>
<th>Leadership changes</th>
<th>Terrorism</th>
<th>Cybersecurity and cybercrime</th>
<th>Shareholder activism (against our company)</th>
<th>Ethical misconduct or corruption</th>
<th>Legal / regulatory issues</th>
<th>Misinformation / disinformation issues</th>
<th>Global health pandemic</th>
<th>Natural disasters</th>
<th>Consumer activism (against our company)</th>
<th>Financial / liquidity issues</th>
<th>Supply chain issues or disruption</th>
<th>Viral social media conversation</th>
<th>Geopolitical disruption</th>
<th>Product failure, quality or integrity issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>55%</td>
<td>26%</td>
<td>29%</td>
<td>53%</td>
<td>28%</td>
<td>53%</td>
<td>35%</td>
<td>18%</td>
<td>53%</td>
<td>24%</td>
<td>53%</td>
<td>25%</td>
<td>28%</td>
<td>24%</td>
<td>26%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>24%</td>
</tr>
<tr>
<td>53%</td>
<td>28%</td>
<td>25%</td>
<td>53%</td>
<td>29%</td>
<td>53%</td>
<td>27%</td>
<td>26%</td>
<td>53%</td>
<td>28%</td>
<td>53%</td>
<td>24%</td>
<td>28%</td>
<td>24%</td>
<td>26%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>53%</td>
<td>27%</td>
<td>26%</td>
<td>53%</td>
<td>27%</td>
<td>53%</td>
<td>24%</td>
<td>26%</td>
<td>53%</td>
<td>28%</td>
<td>53%</td>
<td>24%</td>
<td>28%</td>
<td>24%</td>
<td>26%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>52%</td>
<td>24%</td>
<td>28%</td>
<td>52%</td>
<td>28%</td>
<td>52%</td>
<td>28%</td>
<td>26%</td>
<td>52%</td>
<td>24%</td>
<td>52%</td>
<td>24%</td>
<td>28%</td>
<td>24%</td>
<td>26%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>50%</td>
<td>26%</td>
<td>24%</td>
<td>50%</td>
<td>26%</td>
<td>50%</td>
<td>26%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>50%</td>
<td>26%</td>
<td>24%</td>
<td>50%</td>
<td>26%</td>
<td>50%</td>
<td>24%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>50%</td>
<td>26%</td>
<td>24%</td>
<td>50%</td>
<td>26%</td>
<td>50%</td>
<td>24%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>50%</td>
<td>26%</td>
<td>24%</td>
<td>50%</td>
<td>26%</td>
<td>50%</td>
<td>24%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>50%</td>
<td>26%</td>
<td>24%</td>
<td>50%</td>
<td>26%</td>
<td>50%</td>
<td>24%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>50%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>49%</td>
<td>21%</td>
<td>28%</td>
<td>49%</td>
<td>21%</td>
<td>49%</td>
<td>21%</td>
<td>28%</td>
<td>49%</td>
<td>22%</td>
<td>49%</td>
<td>22%</td>
<td>28%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>49%</td>
<td>20%</td>
<td>22%</td>
<td>49%</td>
<td>21%</td>
<td>49%</td>
<td>20%</td>
<td>22%</td>
<td>49%</td>
<td>21%</td>
<td>49%</td>
<td>21%</td>
<td>22%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>47%</td>
<td>20%</td>
<td>27%</td>
<td>47%</td>
<td>20%</td>
<td>47%</td>
<td>20%</td>
<td>27%</td>
<td>47%</td>
<td>29%</td>
<td>47%</td>
<td>29%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>47%</td>
<td>18%</td>
<td>29%</td>
<td>47%</td>
<td>21%</td>
<td>47%</td>
<td>21%</td>
<td>29%</td>
<td>47%</td>
<td>29%</td>
<td>47%</td>
<td>29%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>45%</td>
<td>20%</td>
<td>25%</td>
<td>45%</td>
<td>20%</td>
<td>45%</td>
<td>20%</td>
<td>25%</td>
<td>45%</td>
<td>25%</td>
<td>45%</td>
<td>25%</td>
<td>25%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>45%</td>
<td>21%</td>
<td>24%</td>
<td>45%</td>
<td>21%</td>
<td>45%</td>
<td>21%</td>
<td>24%</td>
<td>45%</td>
<td>24%</td>
<td>45%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>27%</td>
<td>24%</td>
<td>24%</td>
<td>24%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>44%</td>
<td>21%</td>
<td>23%</td>
<td>44%</td>
<td>21%</td>
<td>44%</td>
<td>21%</td>
<td>23%</td>
<td>44%</td>
<td>23%</td>
<td>44%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>27%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>44%</td>
<td>18%</td>
<td>26%</td>
<td>44%</td>
<td>21%</td>
<td>44%</td>
<td>21%</td>
<td>23%</td>
<td>44%</td>
<td>23%</td>
<td>44%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>27%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>42%</td>
<td>20%</td>
<td>22%</td>
<td>42%</td>
<td>20%</td>
<td>42%</td>
<td>20%</td>
<td>22%</td>
<td>42%</td>
<td>22%</td>
<td>42%</td>
<td>22%</td>
<td>22%</td>
<td>22%</td>
<td>22%</td>
<td>22%</td>
<td>22%</td>
<td>27%</td>
<td>22%</td>
<td>22%</td>
<td>22%</td>
<td>26%</td>
<td>27%</td>
</tr>
<tr>
<td>42%</td>
<td>19%</td>
<td>23%</td>
<td>42%</td>
<td>19%</td>
<td>42%</td>
<td>19%</td>
<td>23%</td>
<td>42%</td>
<td>23%</td>
<td>42%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>23%</td>
<td>22%</td>
<td>22%</td>
<td>27%</td>
<td>22%</td>
<td>22%</td>
<td>22%</td>
<td>26%</td>
<td>27%</td>
</tr>
</tbody>
</table>
PREPARING FOR ACTIVISM
ACTIVISM IS ON THE RISE ACROSS CONSUMERS, EMPLOYEES AND SHAREHOLDERS ALIKE

% who say their company is likely to face the following issue over the next 3 years...

- **Consumer activism against the company**: 63% global average
- **Employee activism against the company**: 62% global average
- **Shareholder activism against the company**: 62% global average
- **Consumer activism against the company**: 64% global average

*Edelman Connected Crisis 2021 Study*, Q4. How likely do you think it is for your company to face each of the following issues in the next 3 years? Top 3. Base size: All respondents – 101 in the USA.
EXECUTIVES RECOGNIZE THE IMPACT ACTIVISM CAN HAVE

Activism impacts both reputation and operations.

“I am concerned employee / consumer activism can have a ripple effect across my company”
Significantly higher than the global average of 69%

agree activism may have a high impact on business reputation and operations
53% global average

But only 1 in 2 executives say they are well prepared to handle activism-led crises

Edelman Connected Crisis 2021 Study. Q22. Thinking about consumer activism now, to what extent do you agree or disagree with the following statements? By consumer activism, we mean the actions taken by customers and consumers to speak out for or against brands on controversial issues that impact society. Top 3. Base size: All respondents – 101 in the USA. // Q5. How much impact on your business reputation do you think the following issues might have on your company over the next 3 years should they arise? High impact: Top 3. Base size: All respondents – 101 in the USA. // Q6. How much impact on your business operations do you think the following issues might have on your company over the next 3 years if there were to arise? High impact: Top 3. Base size: All respondents – 101 in the USA.
EXPECTATIONS OF BUSINESS TO ADDRESS SOCIETAL ISSUES

This pressure arises both internally and externally, presenting an additional challenge in response to crisis.

84%
“My company is facing external pressure to be more vocal about key societal issues”
68% global average

81%
“My company is facing internal pressure to be more vocal about key societal issues”
68% global average

Edelman Connected Crisis 2021 Study. Q20. Thinking about employee activism, to what extent do you agree or disagree with the following statements? By employee activism, we mean the actions taken by workers to speak out for or against their employers on controversial issues that impact society. Top 3. Base size: All respondents – 101 in the USA. // Q22. Thinking about consumer activism now, to what extent do you agree or disagree with the following statements? By consumer activism, we mean the actions taken by customers and consumers to speak out for or against brands on controversial issues that impact society. Top 3. Base size: All respondents – 101 in the USA.
INTERNAL PRESSURE IS ON THE RISE

Employees are prepared to support or criticize their employer.

85%

“My company has seen a rise in employee activism over the past 3 years”
68% global average

78%

“Employee activism poses a growing threat to the reputation of my company”
67% global average

Percent who say employees in their company have spoken in favour, or against, their efforts

Advocates

85%

“Employees within my company have spoken up to take a stance on societal issues, supporting our company’s approach”
71% global average

Detractors

84%

“Employees within my company have spoken up to take a stance on societal issues, criticizing our company’s approach”
68% global average

Edelman Connected Crisis 2021 Study. Q20. Thinking about employee activism, to what extent do you agree or disagree with the following statements? By employee activism, we mean the actions taken by workers to speak out for or against their employers on controversial issues that impact society. Top 3. Base size: All respondents = 101 in the USA.
RESPONSE TO STAKEHOLDER EXPECTATIONS FEELS STRONG; BUT THERE REMAINS OPPORTUNITY TO IMPROVE

Over 3 in 10 executives do not feel their company is well equipped to respond to consumer, customer or employee expectations.

**Social initiatives**
(e.g., diversity and inclusion)

- 80% agree
- 74% disagree

**Environmental initiatives**
(e.g., climate change)

- 77% agree
- 79% disagree

**Purpose initiatives**
(i.e., doing good for society)

- 77% agree
- 78% disagree

---

**Edelman Connected Crisis 2021 Study**. Q22. Thinking about consumer activism now, to what extent do you agree or disagree with the following statements? By consumer activism, we mean the actions taken by customers and consumers to speak out for or against brands on controversial issues that impact society. Top 2. Base size: All respondents – 101 in the USA. // Q20. Thinking about employee activism, to what extent do you agree or disagree with the following statements? By employee activism, we mean the actions taken by workers to speak out for or against their employers on controversial issues that impact society. Top 2. Base size: All respondents – 101 in the USA.
ADAPTING TO THE DIGITAL LANDSCAPE
The digital-first landscape (i.e., use of social media and digital channels) is making issues and crises more difficult to manage” 75% global average

92% of executives say that the speed of social media activity has changed the way they can manage crises

84% of executives say that the speed of social media activity worries them in their response to crisis

3 in 4 executives agree that their company is well prepared for the need to respond quickly across communications channels in its crisis preparedness plans (search, media buying, media relations, employee channels, etc.)
EXECUTIVES EXPECT TO FACE DIGITALLY-ROOTED ISSUES

But less than 1 in 2 executives considers that their company can anticipate and handle them.

- **81%** said their company is likely to face digital issues in the next 3 years (75% global average).
- “**Thinking about digital crisis management, my company’s ability to anticipate and identify risks today is very good**” (31% global average).
- “**Thinking about digital crisis management, my company’s ability to handle crises when they arise today is very good**” (29% global average).

Edelman Connected Crisis 2021 Study, Q4. How likely do you think it is for your company to face each of the following issues in the next 3 years? Top 3. Base size: All respondents – 101 in the USA. // Q18. Overall, how you would you rate your company’s ability to do the below? Top 2. Base size: All respondents – 101 in the USA.
While the majority realize the need to integrate digital response tactics, few are equipped to do so.

**84%**

of executives say that communicating through press releases and scripted responses is no longer enough in responding to crisis. 77% global average.

**But only 4 in 10**

are always prepared to use other channels in their response.

---

**Edelman 2021 Edelman Connected Crisis Study.** Q14. To what extent is your company prepared to use the following assets in its response to crisis? ‘Our company is always prepared to do this’. All respondents - 101 in the USA. // Q15. And how useful are or would be each of the following in helping your company’s crisis management? Very Useful / Extremely Useful. Base size: All respondents - 101 in the USA. // Q19. To what extent do you agree or disagree with the following statements? NET Agree. Base size: All respondents - 101 in the USA.
INSTINCT STILL DRIVES DECISION-MAKING

All sources of data are under-utilized in the US, despite executives recognizing their value.

Only **1 in 2** executives are consistently prepared to use data sources other than monitoring.

**Data sources used in response to a crisis**
- Recognizes this as a useful source
- Always uses this data when facing a crisis

![Bar chart showing data sources used in response to a crisis](chart.png)

---

**Edelman Connected Crisis 2021 Study.** Q12. Now, please think of your current crisis management procedures. To what extent would you say your company uses the following data or inputs in crisis response plans. ‘My company always uses this data in our crisis response plan’. Base size: All respondents – 101 in the USA. // Q13. And how useful are or would be each of the following in helping your company's crisis management? NET Useful: Extremely useful & very useful. // Base size: All respondents – 101 in the USA.
**INTEGRATION IS ESSENTIAL**

7 in 10 say different organizational functions across the company are involved in designing crisis preparation plans (i.e., marketing, HR, employee communications, legal).

At best, 4 in 10 executives say they are very effective in involving different organizational functions in the response to the crisis.

And there remains opportunity to more effectively integrate across teams.

<table>
<thead>
<tr>
<th>Function</th>
<th>Somewhat effective + Very effective</th>
<th>Somewhat effective</th>
<th>Very effective</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee communications</td>
<td>94%</td>
<td>69%</td>
<td>25%</td>
</tr>
<tr>
<td>Marketing team</td>
<td>94%</td>
<td>60%</td>
<td>34%</td>
</tr>
<tr>
<td>External communications / PR firms</td>
<td>92%</td>
<td>53%</td>
<td>39%</td>
</tr>
<tr>
<td>Legal and litigation teams</td>
<td>91%</td>
<td>57%</td>
<td>34%</td>
</tr>
<tr>
<td>Investors</td>
<td>90%</td>
<td>57%</td>
<td>33%</td>
</tr>
<tr>
<td>Suppliers</td>
<td>88%</td>
<td>55%</td>
<td>33%</td>
</tr>
<tr>
<td>Human resources</td>
<td>88%</td>
<td>59%</td>
<td>29%</td>
</tr>
<tr>
<td>Regulators</td>
<td>87%</td>
<td>58%</td>
<td>29%</td>
</tr>
<tr>
<td>Insights teams</td>
<td>86%</td>
<td>49%</td>
<td>37%</td>
</tr>
</tbody>
</table>

*Edelman Connected Crisis 2021 Study. Q9. Now, please think of the lifecycle of a crisis, from pre-crisis prevention and preparation, through to crisis response and post-crisis recovery, to what extent do you agree or disagree with the following statements about your pre-crisis preparedness? Top 2. Base size: All respondents ~ 101 in the USA. // Q16. Still thinking of crisis management procedures, as and when the crisis is happening - to what extent is your company effective in involving different organizational functions or team in responding to the crisis? Good management: Top 2. Base size: All respondents ~ 101 in the USA.*
KEY TAKEAWAYS
The new crisis landscape

New crisis types and dynamics, fueled by cultural and technological shifts driven by digital platforms, are increasingly disrupting businesses.

A gap in preparedness

There are significant gaps between the importance placed by executives on many evolving aspects of crises, and the preparedness of companies to adapt.

Activism on the rise

Activism is on the rise, across consumers, shareholders and employees, and many executives do not feel equipped to respond.

Worried about digital and data

Executives expect to increasingly face challenges rooted in digital, but few believe that their company can navigate them.
THE PATH FORWARD

A new approach to crisis management is needed.

1. **Re-assess risk for today’s landscape**
   Organizations need to reassess their risk landscape if they are to prepare for new threats driven by the emergence and growth of new crisis types and dynamics.

2. **Enable action on social issues**
   Leaders must apply a consistent decision-making framework to determine when and how to take a stand on societal issues.

3. **Place Employees at the center**
   Executives must consider employees as a primary audience given the systemic impact of crises and as employee activism rises.

4. **Re-examine digital and data integration**
   Companies must ensure digital and data are consistently used across crisis planning and management, and shift from a media-first to a stakeholder-first mindset.
EDELMAN IS UNIQUELY PREPARED TO HELP YOU NAVIGATE THE CONNECTED CRISIS LANDSCAPE.

CONTACT US

Hugh Taggart
Global Crisis Chair, Edelman
hugh.taggart@edelman.com

Dave Fleet
Global Head of Digital Crisis, Edelman
dave.fleet@edelman.com
APPENDIX
The traditional way of managing crises is obsolete.

Traditional crisis communications can’t compete with today’s crisis landscape or keep pace with the dynamics of a digital world.

A new approach is needed. One that is data-fueled, rooted in trust, connected to culture and integrated across business functions.
EDelman’s Connected Crisis approach is purpose-built to operate in today’s crisis landscape.

ROOTED IN TRUST
When companies fail to adapt to today’s crisis landscape, the effects of lost trust can be deep, long-lasting and holistic across the company’s operations.

CONNECTED TO CULTURE
Activism is on the rise, both internally and externally. Social and societal movements cannot be ignored, with executives feeling the pressure of increased expectations.

DATA-DRIVEN
Executives recognize the importance of data in crisis response, but it is still significantly under-utilized.

DIGITALLY-INTEGRATED
Three quarters of executives say that the digital-first landscape is making issues and crises more difficult to manage.

Edelman has studied the dynamics of Trust for over 21 years. We work with clients to build, protect and repair Trust – it is the very core of Edelman.

We bring deep real-time connection to culture, understanding of its impact on the crisis landscape and the ability to drive and navigate news cycles at the speed of culture.

Our data-driven approach, AI-powered tools and behavioral science expertise let us understand your issues, your audiences, their agendas and how to reach them in ways never before possible.

Our 25-year history in the digital space gives us a rich understanding of how stakeholders consume and engage in digital and social media, and how to apply digital strategy to mitigate the impact of a crisis.