

An unfiltered look at what's percolating now

Below are key themes that dominated corporate communications news in December 2024.

These insights feel especially timely as we reflect on the year in HAVAS Red's <u>2024 Word of the Year</u> and look ahead to the trends and priorities we believe will shape 2025, explored in our recently released <u>Red Sky Predictions 2025</u>.

PURPOSE: THE EVOLVING FRONTIER FOR BUSINESS LEADERSHIP

As corporate purpose continues to evolve, businesses are grappling with how to align their strategies with stakeholder expectations while navigating political, social and economic pressures. The <u>Financial Times</u> highlighted the growing risk of purpose becoming "performance art" unless it drives tangible stakeholder value. A report from <u>Veerless</u> explored how regulatory pressures, particularly in the U.S., are prompting companies to adjust ESG (environmental, social and governance) narratives while remaining authentic. <u>Newsweek</u> emphasized that despite ESG skepticism, sustainability investments are on the rise, with 68% of companies planning to increase their focus on purpose-led strategies by 2025. Meanwhile, a <u>PwC</u> podcast offered actionable insights for integrating purpose into decision-making to build trust and long-term resilience. Finally, <u>Forbes</u> underscored the importance of governance and leadership in sustaining purpose, positioning it as a vital element of boardroom priorities like risk management and innovation. Together, these perspectives illustrate the growing complexity of purpose-driven leadership in an increasingly divided landscape.

Bottom line: Companies must move beyond rhetoric, embedding purpose into their operations, governance and decision-making processes. Communicators have a key role in ensuring these efforts resonate authentically, bridging gaps between business priorities and societal expectations. Meanwhile for leaders, the challenge is to make purpose actionable and measurable, demonstrating its value not just to stakeholders, but to the bottom line.



DEI IN FLUX: WHAT'S NEXT FOR INCLUSIVE LEADERSHIP?

DEI (diversity, equity and inclusion) coverage continued to focus on the dilemma of staying the course and responding to external pressures. While some organizations remain steadfast in their DEI commitment, others are pulling back, prompting critical questions about the future of workplace diversity. <u>The Wall Street Journal</u> reported a notable rollback in corporate DEI policies, citing increased scrutiny from shareholders and shifting societal expectations. At the same time, <u>Fast Company</u> highlighted the emerging emphasis on "fairness" as a reframing of traditional DEI efforts, reflecting the need for language that resonates across political divides. <u>Forbes</u> pointed to Costco as a model of resilience, reaffirming to shareholders that DEI and inclusive leadership are "non-negotiable" pillars of their success. Meanwhile another <u>Fast</u> <u>Company</u> piece focused on how DEI strategies will evolve in 2025, anticipating more data-driven approaches and embedding equity into core business functions. Finally, <u>HBR</u> offered a pragmatic reminder: DEI work isn't about the label—it's about sustaining efforts that build equitable workplaces, regardless of terminology.

Bottom line: The conversation around DEI is shifting, but the need for action remains urgent. Communicators and leaders must adapt their messaging to reflect changing stakeholder expectations while doubling down on measurable impact. Whether it's reframing DEI under new language like "fairness" or recommitting to long-term goals, the focus should be on delivering meaningful, equitable outcomes.

PURPOSE MEETS PEOPLE: WHY A STRONG EVP MATTERS

Employees are increasingly seeking more than just a paycheck — they want purpose. Companies with a compelling EVP (employee value proposition) are not only attracting top talent but also driving innovation and long-term success. According to <u>HR Executive</u>, job seekers prioritize work that contributes to the greater good, placing purpose at the core of their career decisions. This shift is mirrored in <u>HR Dive</u>'s analysis, which links a strong EVP to greater organizational innovation and resilience, underscoring its role as a competitive differentiator. Adding to this, <u>Newsweek</u>'s latest ranking of America's most diverse companies reveals that DEI commitments are a top factor for job seekers, with 70% of respondents citing inclusivity as a priority when evaluating potential employers. Together, these insights confirm today's employees want to work for organizations that invest in their people and make a positive societal impact.

Bottom line: For communicators and HR leaders, crafting a compelling narrative around purpose and inclusivity is essential to attract and retain top talent. Companies that align their mission with employee values and demonstrate their commitment to the greater good will not only win the war for talent but also strengthen their capacity for innovation and growth.



FROM PERMACRISIS TO POLYCRISIS: NAVIGATING THE NEW NORMAL

As outlined in our <u>Red Sky Predictions 2025</u>, the shift from "permacrisis" to "polycrisis" is redefining the corporate landscape, with leaders facing a web of interconnected challenges that demand greater agility, transparency and resilience. Recent coverage sheds light on how businesses are grappling with this reality, where every decision is magnified, and public trust can evaporate in mere hours. <u>Fortune</u>'s in-depth report on corporate challenges revealed how leaders are contending with inflation, geopolitical tensions and the accelerating adoption of Al. Executives from various companies and industries underscored the delicate balance of managing costs, integrating new technologies and preparing for future uncertainties. Another <u>Fortune</u> article highlighted the "two-hour digital day," illustrating how crises now unfold at lightning speed, requiring leaders to act with precision and transparency to preserve trust. As demonstrated by examples like Google's Al misstep and Boeing's prolonged reputational fallout, the stakes for swift, decisive crisis management have never been higher.

Bottom line: The polycrisis era requires leaders to rethink their approach to risk and resilience. This means not only responding to crises with speed and clarity but also proactively preparing for interconnected threats before they arise. Communicators play a critical role in this process, crafting narratives that maintain trust, clarify complex challenges, and highlight organizational adaptability. Those who can lead decisively and inspire confidence amid uncertainty will set their organizations apart in this increasingly interconnected world.

2024: THE YEAR OF THE INFLUENCER TAKEOVER

As covered in our <u>November Cup of Corporate Comms</u>, social media influencers are significantly altering how audiences consume news and perceive information credibility. The <u>Financial Times</u> explored the declining engagement with traditional news media, especially among younger demographics, who are increasingly turning to platforms like TikTok and Instagram. This shift has empowered influencers and content creators at the expense of established news outlets, often amplifying populist and anti-establishment voices. Similarly, <u>The New York Times</u> highlighted how media organizations are adapting to this trend by investing in newsletters and other direct-to-consumer strategies, seeking to rebuild trust with audiences drawn to individual creators for news. Complementing these insights, <u>WIRED</u> examined how influencers have expanded their reach beyond entertainment to shape civic conversations and even political movements. This shift signals the growing influence of these digital personalities as gatekeepers of information, but it also raises concerns about the potential for misinformation and manipulation in the absence of journalistic rigor.

Bottom line: To effectively engage target audiences, it's crucial to collaborate with credible influencers who prioritize accuracy and transparency. Additionally, adopting direct channels, such as newsletters, can help maintain public trust and foster deeper connections with audiences in an era where traditional media influence is waning.

