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## Social Change Under Trump: A Playbook For Business Leaders

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*Paul Klein helps businesses benefit from solving social problems*

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Bill Gates, founder of the Gates Foundation, speaks at a Save the Children event on vaccine equity ... [+] DPA/PICTURE

The election of former President Donald Trump has caused business leaders to reassess how their companies balance profit and purpose.

Trump has clearly indicated that there will be radical change on many issues that matter to businesses, their employees and their customers. These include access to abortion, climate change, and immigration. Added to this, J.D. Vance is challenging big philanthropy. “Why don’t we seize the assets of the Ford Foundation, tax their assets, and give it to the people whose lives are being ruined by their radical open-borders agenda,” Vance told Tucker Carlson as reported by [David Bowermaster, in Forbes](#).

In the face of what will likely be new regulations related to these and other issues, will corporations abandon ESG? Will businesses do the minimum needed to comply with new regulations and changing expectations of employees and other stakeholders? Or, will some companies see this as a new opportunity to address issues that the government has abandoned?

This is uncharted territory for CEOs and I thought it would be helpful to provide leaders with a playbook for how to advance social and environmental change under the new administration. I asked eight experts to share what they would advise CEOs to do differently over the next 4 years. They were categorical in their belief that leaders must maintain a commitment to social and environmental change but also acknowledged that this needs to be done differently. Their observations revealed nine priorities that can help CEOs make their companies more successful and improve the well being of employees, customers and communities.

### **“No Margin, No Mission”**

That’s how Brent Chrite, President of Bentley University described the importance of prioritizing business performance. “The center of gravity for leaders must be the long-term vitality and health of the organization,” said Chrite. “It’s pretty easy to lose focus on these issues at this time - distractions, headwinds, competitive pressures, ubiquitous technologies, etc., will all compete for leaders’ attention. The most effective leaders will harness these factors for growth and profitability.”

“As a starting point, it should be explicitly stated that corporate social responsibility is not merely a moral imperative, it’s also very much a business issue,” said Sona Khosla, Chief Impact Officer at Benevity. “Assuming the new government will make changes in the way people and issues are supported, businesses will be summoned to play a vital role in filling the void.”

“I would strongly encourage CEOs to lean into and invest in corporate social responsibility that builds the bottom line.” wrote Carolyn S. Berkowitz, President & CEO, of the Association of Corporate Citizenship Professionals. “Now is a great time to remind corporate leaders of the fundamentals of why and how their companies authentically engage in the work.” Berkowitz believes that companies that connect their CSR work to business strategy build brand, customer, investor, and employee loyalty by doing so.

### **Live Your Purpose**

At a time when businesses are facing severe backlash against ESG and some have already retreated from earlier commitments to social and environmental change, CEOs are advised to affirm and live the institution's values. “This is the hard part and this is what separates those who

walk the talk from those who just talk the talk,” said Chrite. “If you care about the environment or social justice or inclusivity, then show it. This is a critical leadership matter.”

Khosla advises CEOs to be guided by their organization’s purpose when they need to make hard decisions at a moment’s notice, such as when Roe v. Wade was overturned, or when Hamas attacked Israel. “It’s critical for CEOs to consider how they use their purpose, values and resources to show up in ways that are true to who they are and their role in the world,” said Khosla. “And, CEOs should be prepared to provide workers and communities with the support they need when the landscape suddenly changes.”

“This is a critical time for CEOs to reflect on their company’s values and how they support corporate responsibility and the role of business in society - circumstances change, but an organization’s values are consistent,” wrote Jon Packer, founder of Packer & Co. “By doing this, leaders can build trust, engagement, and loyalty with every stakeholder, which helps prepare their organizations to handle the challenges and opportunities in this evolving environment.”

Juliet Scott-Croxford, President of Brompton North America believes that the ability to maintain and demonstrate authenticity by staying true to your mission is a real test of leadership. “At Brompton, sustainability is at our core and we see ourselves equally as beholden to the planet as we are to shareholders and the bottom line,” said “As the new administration steps into office, we will have to continue to distill where we take action given the wide range of potential changes, but our employees, customers, and community can count on us to stay engaged past the election day.”

## **Listen To Your Stakeholders**

Packer observed that the political and economic climate we are facing brings potential shifts in policies affecting everything from environmental regulation to social justice issues, placing added pressure on businesses to step up. In this context, he believes that it is more important than ever for CEOs to set out a business agenda that prioritizes social impact and truly listens to the needs of stakeholders, including customers, employees, and communities.

For example, with trust in government and media already at a low, and [74% of Gen Z workers](#) valuing purpose over a paycheck and now making up 27% of the workforce, CEOs will be called on when the government fails to meet their expectations. “These workers are looking to business and CEOs as a voice of hope on societal issues,” said Khosla. “CEOs must be aligned with their CSR and ESG leaders on what issues are material to their business and communities. They also need to make sure they are weighing the expectations of their audience and risks of their decisions as it’s been shown that brands that change their tunes on social and DEI agendas lose trust and experience negative sentiment.”

## **Don’t Abandon ESG**

Lysa Ratliff, CEO of KABOOM! observed that the underlying environmental, social, and economic conditions that prompted companies to adopt ESG policies have not changed significantly. Global climate change still poses a threat to our infrastructure and global stability. People still feel deep economic insecurity and view economic gains going to the people at the highest rung of the socio-economic ladder. This has contributed people to civic disengagement and people feeling a growing sense of isolation from the political, philanthropic, and commercial pillars of their communities.

“Abandoning ESG goals and policies won't solve these problems, which happen to pose a threat to many businesses, and may even accelerate the negative impacts of these underlying societal conditions,” said Ratliff. “CEOs should highlight the broad spectrum of impacts which stem from ESG.”

### **Invest In Impact**

CEOs will have the most impact by targeting investments to issues that are core to the organization's goals and mission, suggested Ratliff. That means steering away from areas highly publicized in the moment and focusing on investments that foster systemic change. “Building civic infrastructure, workforce training for jobs at those companies, and addressing healthcare needs proactively by focusing on wellness and a healthier environment are more likely to have a lasting impact on the communities the investments are made in,” said Ratliff. “Performative actions are quickly forgotten and tend to have less persistence in their impact. They also tend to focus on smaller segments of a community rather than broader groups.”

Berkowitz advises CEOs to ensure their companies have well-resourced efforts with ample, experienced staff, seasoned leadership, crisp strategies, evolving technology, and appropriately funded external partnerships. Those that do will see a return on their investment through measurable community outcomes, employee engagement, public support, and brand loyalty. “Invest financial, operational, and human resources in CSR like you would any other business function so it can achieve the outcomes you seek,” suggests Berkowitz.

### **Walk The Talk**

Khosla believes that consumers, workers and even regulators won't let good marketing pass for real action. “More than ever, CEOs should be reserving budget to resource teams to activate on issues whether it's coalition building, changing internal policies and processes, or putting charitable dollars, time and talent, and products and services into the social sector.” said Khosla. “And they should be ready to report on the tangible outcomes of these investments and results to prove that they aren't just talking the talk, but are actually walking the walk.”

### **Harness Storytelling**

Scott-Croxford thinks that more CEOs should recognize that vivid, powerful storytelling is the most effective medium for communicating impact. “If you're only working with infographics and numbers, I recommend dropping the pie chart, listening to the voices and stories of your consumers, community, team - and highlighting those stories in a meaningful way,” said Scott-Croxford. “Leverage those stories to spread positive social and environmental messaging and ultimately, drive your business forward.” She also recommends CEOs adopt what she calls “storydo” - bringing storytelling off webpages or Instagram posts through events in communities. “At Brompton we host hundreds of events globally each year across our stores. It's amazing to see the connections that are made by giving like-minded people a reason to gather.”

### **Leverage Partnerships**

Scott-Croxford also believes that businesses of every size have the power to make a difference through collective action. She suggests that partnering with both public and private organizations

can bring seismic changes in any given industry. “Find partners that have similar values, beliefs, and goals as yours and keep in touch. Problem solve, plan and action together, get creative together, assess policy changes together, and mobilize together. Change works better in numbers, and no business is too small to be a changemaking one,” advises Scott-Croxford.

## Practice Tolerance

The results of the election point to what Chrite described as a tectonic shift in the landscape. “Communication strategies and such will need to be different and perhaps their approach to an inclusive community is more data driven or strategically based in comparison to, say, historically social justice oriented, said Chrite. “These conditions should have been part of the playbook in the first place as opposed to some of the ridiculous hyper-progressive policies that many companies have implemented since 2020.”

Over the last four years, business leaders may have contributed to a new landscape of virtue signaling that is rooted in corporate ESG and DEI. “They created an environment where co-signaling your support for their values was understood as mandatory, lest one be ostracized, insulted or even fired,” said Devon Wright, Co-Founder and CEO of Lumo. “I believe this was the largest contributor to the political exhaustion and loss of support for ESG, DEI and the political left in this past US election.”

Wright believes that one of the most important lessons of this election, and one that transcends partisanship, is the need for leaders to re-prioritize tolerance and acceptance. “If businesses want to increase support for important progressive, environmental and social causes during a Trump White House, they need to pull away from the political dogmatics, and add tolerance to their already principled vision on the critical business and social issues of our time,’ advises Wright.

It’s too early to know how Trump’s agenda will impact the role of business in American society. It’s not too early for businesses to prepare for a very different operating environment. I appreciated the many insightful contributions I received for this playbook and hope they will serve as a helpful starting point for leaders.



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Paul’s purpose is to make the world a better place with Impakt and the Impakt Foundation for Social Change. He is a business advisor, journalist and author with over 25 years of experience in contributing to social change. In 2002 he founded Impakt to help corporations and civil society organizations contribute to social change. Paul and is also founder of the Impakt Foundation for Social Change, a charitable organization that helps newcomers succeed. Paul contributes to Forbes on leadership strategy, and has written for the LSE Business Review, The Guardian, and the Stanford Social Innovation Review. His book, Change for Good: An Action-Oriented Approach for Businesses to Benefit from Solving Social Problems, was published in 2022. **Read Less**