Defining 'Business Acumen':
A Delphi Study of Corporate Communications Leaders

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Abstract

The evolution of public relations into more of a strategic management function has resulted in additional expected competencies for PR and communications professionals. *Business acumen* is often now seen as an important contributor to the success of PR professionals and teams, but a formal definition of this key term has been lacking. Based on the evaluations of an expert panel of senior corporate communications leaders, the current study defines the term business acumen in a public relations and communications context; articulates what specific knowledge areas fall under business acumen; and identifies important perceived professional, organizational and societal benefits of this competency. The implications of these findings for future research, public relations education, and leadership training and talent development are discussed.

Keywords: business acumen, business literacy, public relations leadership, chief communications officer, C-suite advisor/counselor, Delphi panel method

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Public relations and communications practitioners have long argued that, for PR and communications to be most effective, it should have "a seat at the table" or at least provide valued strategic counsel to those sitting at the leadership table (Bowen, 2009; Grunig, 2006; L. Grunig, J. Grunig, & Dozier, 2002; Neill, 2015). Within the corporate world, more public relations and communications professionals, led by the rise of the chief communications officer (CCO), are gaining such an opportunity (Bolton, Stacks, & Mizrachi, 2018; Marshall, Fowler, & Olson, 2015a, 2015b; Penning & Bain, 2018; Ragas & Culp, 2014a, 2018).

Increasingly within corporations, the role of PR and communications has evolved beyond simply managing messages, such as "how to say it" and "what to say," to helping advise the C-suite on policy decisions and corporate behaviors—the "what to do" (Arthur W. Page Society, 2016; Christian, 1997). This evolution into more of a strategic management function has resulted in additional expected competencies for PR and communications professionals and graduates. Professionals and educators alike agree that one such emerging critical knowledge area is *business acumen* (Duhé, 2013; Feldman, 2016; Neill & Schauster, 2015; Ragas, Uysal, & Culp, 2015). However, what this term actually encompasses is somewhat murky and ill defined.

For example, a comprehensive report from the Commission of Public Relations Education (2018) identifies business acumen as an important knowledge area for preparing entry-level PR professionals (along with ethics, diversity & inclusion, cultural perspective, social issues and PR laws/regulations). However, no detailed definition of the concept is provided. Even books on this subject don't provide comprehensive definitions (see Ragas & Culp, 2014a, 2018). As such, the purpose of this study is to better define what specific knowledge falls under 'business acumen' as well as to determine what perceived professional, organizational and societal benefits may be associated with this competency.

A Delphi panel technique (Dalkey, 1969; Hsu & Sandford, 2007; Sackman, 1975) will be used to solicit opinions and reach general consensus among a group of subject matter

experts, in this case, senior corporate communications leaders. Such an effort is far from a semantic exercise (Hayes & Smudde, 2015). Finding common language, meaning and understanding on this key term will importantly help focus and advance future scholarly and professional research, teaching, and training and development programs for the field.

Literature Review

The notion that public relations and communications professionals should have a grounding in business acumen to do their jobs more effectively is not entirely new. Thirty years ago, Turk (1989) argued that business management skills should be taught in PR programs. The classic Excellence studies concluded that the best indicator of excellent public relations is PR professionals having the knowledge needed to play the role of communication managers and not just technicians (e.g., Dozier, L. Grunig L., & J. Grunig, 1995; L. Grunig et al., 2002).

Business Acumen and Public Relations Leadership

However, this perspective has gained considerably more acceptance in recent years. Top public relations textbooks often now acknowledge business and financial literacy as part of the desired knowledge base and skillset for PR professionals to take on more leadership roles in organizations. For example, Wilcox, Cameron and Reber (2015) outline the following essential career skills in *Public Relations: Strategies and Tactics*, one of the most used textbooks in the field: (1) writing skills, (2) research ability, (3) planning expertise, (4) problem solving ability, and (5) *business/economics competence*, and (6) expertise in social media. According to Wilcox and colleagues (2015), "the increasing emphasis on public relations as a management function calls for public relations students to learn the 'nuts and bolts' of business and economics" (p. 27).

Similarly, Swann (2014) writes in *Cases in Public Relations Management* that "one factor preventing some public relations practitioners from entering the ranks of management is a lack of understanding of basic business principles, management strategies, and number-crunching" (p. 5). In Swann's view (2014), "to be a part of management, a public relations practitioner should understand the language of business, how the organization operates, how it makes money, and how its strategic plan meets current and future challenges" (p. 5).

Research from the Commission on Public Relations Education (CPRE) has long recommended that undergraduate and graduate PR coursework incorporate business concepts and terminology (CPRE, 2006, 2012). In addition to recommending six minimum courses for PR undergraduate majors (i.e., introduction/principles, research methods, writing, campaigns/case studies, supervised work experience/internships and ethics), the CPRE (2018) now recommends five additional areas of study: *business literacy*, content creation, data analytics, digital technology, and measurement and evaluation. Business literacy is defined by the CPRE as "providing students with a working knowledge of the fundamentals of corporate accounting and finance, economic thinking, capitalism, markets and financial communications" (2018, p. 63).

Included within the 2018 CPRE report were the findings of a 2016 omnibus survey of public relations educators and practitioners on the knowledge, skills and abilities (KSAs) sought in entry-level PR practitioners (see O'Neil, Moreno, Rawlins, & Valentini, 2018). As part of this survey, various knowledge areas were evaluated. Respondents rated *business acumen* as fourth highest ($M = 3.76$) on a list of 12 different knowledge areas that entry-level practitioners should have, behind ethics ($M = 4.51$), diversity & inclusion ($M = 3.95$) and cultural perspective (3.83), and ahead of eight other knowledge areas, such as social issues, PR laws and regulations, PR

theory, global perspectives and crisis management. It is worth noting that, out of all the various KSAs that were evaluated by respondents, the skills of writing ($M = 4.85$) and communication ($M = 4.75$) scored the highest on the entire survey.

The findings of this quantitative survey by the CPRE pair well with qualitative research conducted by Neill and Schauster (2015) with public relations and advertising agency leaders to help identify potential gaps in PR and advertising education. This study identified the following core skills necessary for recent graduates: (1) writing, (2) *business skills*, (3) strategic planning, (4) presentation skills, (5) math skills and (6) client relations/interpersonal skills (Neill & Shauster, 2015). Elaborating on these results, Neill and Shauster (2015) conclude that senior PR and advertising professionals "bemoan the lack of business literacy among communication majors and support situated learning opportunities to address these deficiencies" (p. 5).

Intersecting with research into the desired knowledge, skills and capabilities for the changing PR profession is research into leadership development for PR practitioners (Jain & Bain, 2017) and the communications function as a whole (Penning & Bain, 2018). Scholars affiliated with the Plank Center for Leadership in Public Relations at The University of Alabama have helped advance the literature on leadership in public relations and communications in recent years (see Berger, 2019; Berger & Meng, 2010, 2014; Meng, 2014). A result of these research efforts has been the development of The Plank Center's model of integrated leadership in public relations (Meng, 2014). This model includes seven dimensions or categories of overall leadership competency. Six of these dimensions focus on the individual or personal level: self-dynamics, team collaboration, ethical orientation, relationship building, strategic decision-making, and communication knowledge management. The seventh dimension is at the organizational level—the organizational culture and structure in which the PR professional and team practice communications (Berger, 2019; Meng, 2014).

A study of nearly 5,000 communications professionals in 15 countries rated *strategic decision-making* as the most important of these leadership dimensions (Berger & Meng, 2014). Strategic decision-making is defined by Berger (2019) as "the extent to which PR leaders are knowledgeable, effective and valued participants in strategic decision-making groups and processes in their organizations" (p. 20). Berger (2019) asserts that, to participate effectively in strategic decision-making, PR leaders should focus on development in the following areas: critical thinking, *business and financial essentials*, cultural intelligence, strategic planning and power dynamics in organizations. Whether called business acumen, business literacy or business essentials, scholars and practitioners increasingly acknowledge the growing value and need for business knowledge to help advance the stature and effectiveness of PR and communications.

On the flipside, some CCOs and PR agency leaders see a *lack* of widespread business acumen within the public relations and communications profession as inhibiting how the function is perceived and valued by business leaders (see Ragas & Culp, 2018). According to Feldman (2016), a longtime advisor to CCOs, C-suite leaders and corporate boardrooms:

> *The rise of the entire function in the eyes of the C-suite depends on the stature, business acumen and performance of the individuals in the organization. Strong business acumen is not perceived to exist now in the function, meaning it will often be viewed as a tactical, non-strategic weapon. (para. 9)*

Similarly, Spangler (2014), a former CCO for two different Fortune 500 companies, argues that PR professionals must develop business acumen to prove to the CEO and other C-level leaders they understand the business and should serve as strategic advisors (and not just tacticians). In his view, "only by showing you have that knowledge will you gain management's permission to provide your counsel and launch a communications process that drives winning results" (Spangler, 2014, p. 9).

Defining *Business Acumen* in a Public Relations Context

But what specific knowledge falls under the domain of business acumen, especially in a public relations and communications context? This answer is less clear. While the term "business acumen" is increasingly used by professionals and academics, an empirically-derived, formal definition and explication of the concept is lacking in the literature. Ragas and Culp (2018) argue that when PR and communications professionals say *business acumen*, they are referring to professionals gaining and maintaining a foundation in "essential general and industry-specific business knowledge." More specifically, Ragas and Culp (2018) say such business knowledge should include a "strong grounding in the fundamentals of the major areas of business, such as management, finance, accounting, marketing sales, human resources, information technology and data science, supply chain, innovation and transformation" (p. 4). The CPRE (2018) report describes business acumen as "understanding how business works, to provide the contextual significance of public relations" (p. 28). There is value in the succinctness of the CPRE definition, but what specific business knowledge is assumed by the term is not addressed.

Therefore, a critical next step in advancing the level of business acumen across the profession is more fully understanding *what presumed knowledge underlies this term*. Finding common language, meaning, and understanding around this key term will importantly help focus and advance future research, teaching and professional development on this subject. According to Kent (2012), "definitions are what academics and professionals turn to in order to make decisions about where to devote scarce resources" (p. 708). Hayes and Smudde (2015) make a related point that "clearer terms also give academics more precision about the same phenomena and, thereby, provide everyone with a shared vocabulary." The value of having a shared vocabulary among PR academics and professionals is evident through the publication of academic-professional collaborative work by the Institute for Public Relations, such as *The Dictionary of Public Relations Measurement and Research* (Stacks & Bowen, 2013).

Senior corporate communications leaders view developing business acumen as a priority for the profession and a key factor in their own success (Ragas et al., 2015). Senior leaders have not only ascended to the highest levels of the profession, but are also often responsible for the hiring, development, mentoring and management of PR and communications teams. Further, senior leaders are the most likely to have gained a seat at the management table and/or serve as counselors/advisors to organizational leadership on business and communication matters. As such, the views of senior corporate communication leaders on the subject of business acumen are critically important. In sum, these leaders are in excellent positions to provide insights into the specific knowledge areas that fall under business acumen in a PR and communications context.

As such, the first research question is introduced:

RQ1. In the consensus view of the senior corporate communications leaders, what specific knowledge areas fall under the domain of *business acumen*?

Professional, Organizational and Societal Benefits of Business Acumen

Often included in industry writing and research about business acumen for PR professionals and teams is discussion of the presumed benefits or outcomes from developing such competency (e.g., Bolton et al., 2018; Duhé, 2013; Feldman, 2016; Marshall et al., 2015a, 2015b, Neill & Schauster, 2015; Ragas and Culp, 2014, 2018; Spangler, 2014; Swann, 2014). Such professional benefits or outcomes could include greater career advancement and more formal leadership opportunities for those with strong business acumen. For example, a survey of senior communications leaders, all members of the Arthur W. Page Society, found a strong view among these leaders that PR and communications professionals whom demonstrate a high business I.Q. will earn higher compensation over their careers (Ragas et al., 2015).

But such outcomes and benefits are not limited to simply the individual professional. There are also suggested organizational and societal level benefits to PR and communications professionals and teams becoming more business savvy. For example, some corporate communications professionals and scholars (Bolton et al., 2018; Feldman, 2016; Ragas & Culp, 2014a, 2018; Spangler, 2014; Swann, 2014) argue that—to gain a seat at the management table and/or advise senior management on strategic matters—practitioners need to show they understand how the business works and be seen as fellow business leaders. The public relations and communications function can best benefit the organization, its stakeholders and society as a whole when it earns the trust of management and serves in more of a counselor/advisor capacity that helps organizations or clients not just "talk the talk" but "walk the walk" (Bowen, 2009; Bowen, Hardage, & Strong, 2018).

To date, the possible benefits and outcomes of business acumen have largely been articulated by one or up to several senior leaders in an article or essay, rather than an organized larger group of senior communications leaders having the opportunity to express their collective views in a more structured format. As such, the following research question is introduced:

> **RQ2.** In the consensus view of the senior corporate communications leaders, what are the possible professional, organizational and societal benefits of gaining *business acumen*?

Method

The Delphi panel method was used for conducting this exploratory study. The Delphi method was first developed by the Rand Corporation as an interactive group problem solving and consensus building technique (Dalkey, 1967; Dalkey & Helmer, 1963; Sackman, 1974). Core to the research method is bringing together a panel of subject matter experts, known as a Delphi panel, via multi-wave surveys, with the goal of reaching a consensus on a subject or issue of importance to a field of study (Hsu & Sandford, 2007). In Greek mythology, the Pythia or high priestess, was commonly known as the "Oracle of Delphi." She would answer questions put to her by visitors and help guide them in their future actions and decisions (Avella, 2016). The Delphi method has been used across business and communications research, including within public relations and communications scholarship (Boynton, 2006; Laskin, 2011; O'Neil, Ewing, Smith & Williams, 2018; Watson, 2008; White & Fitzpatrick, 2018).

The Delphi method is particularly appropriate to use when there is an incomplete set of knowledge, uncertainty on an issue or topic, and for which expert judgments are essential (Hsu & Sanford, 2007; O'Neil et al., 2018). In a traditional one-shot survey, respondents have no

opportunity to learn from the opinions of other experts or thoughtfully reflect on counterarguments. In a Delphi study, expert panelists can review and offer feedback in each round of data collection, which adds validity and trustworthiness to the results (Hsu & Sanford, 2007). Methods like focus groups and brainstorming sessions can be expensive, experience group think and bias, and pose scheduling difficulties, particularly for busy senior executives.

The Delphi method typically consists of a structured set of questions answered by a panel over at least two rounds, working towards the goal of obtaining a group consensus. The current study consisted of three rounds. Delphi consensus is usually defined as achieving 55-100% agreement among a panel, with 70% or above often seen as the standard (Avella, 2016). For the current study, the final round summary statements for the two research questions of interest in this study received group consensus levels of 93% (RQ1) and 97% (RQ2).

Expert Panel

The expert panel for this study consisted of senior corporate communications professionals with significant experience in corporate and agency leadership positions. The senior leaders for this panel were recruited from the professional networks of the researcher and were typically members of the Arthur W. Page Society (now known simply as Page), a professional organization for senior public relations and communications professionals. Many of these professionals also serve or have served on the boards of top associations and centers in the field, including the Institute for Public Relations, Page, the PRSA Foundation, the Plank Center for Leadership in Public Relations, and the Page Center for Integrity in Public Communications.

Fifty senior leaders were invited via email to participate on this Delphi panel; 40 agreed to participate after reviewing the study expectations and time commitment. All 40 who agreed to participate then completed the first round of the online survey for an initial 100% participation rate. Some drop off is typical with multi-wave surveys. Multiple reminder emails were sent to non-responders. A total of 36 panelists participated in the second round (for a 90% participation rate) and 29 participated through all three rounds for a final participation rate of 72.5%.

The ratio of male to female panelists was 63/37. More than eight out of ten (81%) panelists said they had 20 of more years of PR and communications industry experience. Half of the panel (50%) indicated they had 30 or more years of experience. The most commonly held senior title by the respondents in their communications career was chief communications officer (34%), followed by vice president (29%), president (29%), CEO or executive vice president (both at 16%), and senior vice president (8%). Other titles not on this list that were written in by respondents were professor, chief growth officer, managing partner/president and senior partner.

Procedure

This Delphi study was in the field for an approximately two-month period (mid-January through mid-March 2019). The panel was invited to participate in three waves of surveys. The first-round online questionnaire consisted of a mix of close-ended demographic questions and several open-ended questions pertaining to business acumen. The survey instrument was kept brief to respect the busy schedules of the senior leaders and encourage participation. The open-ended questions of interest were: "In your opinion, when you hear the term 'business acumen', what specific knowledge falls under this domain for PR and communications professionals?" (RQ1) and "In your opinion, are there are any perceived professional, organizational and/or societal benefits to PR and communications professionals having greater business acumen?"

(RQ2). Participants were also asked in the first round to rate on a 5-point Likert-like scale, where '1' is "not important at all" and '5' is "extremely important," "how important is having business acumen to the overall success of a PR and communications professional today?"

The second-round survey synthesized the open-ended responses from the first round into summary statements. These two original questions along with the summary statement answer pairs were then sent to the panel for review and comment. Panelists were asked to rate the summative conclusions using a 5-point Likert-like scale where '1' is "strongly disagree" and '5' is "strongly agree." Response points '4' and '5' on the scales were summed into percentages to indicate the agreement levels. If a respondent disagreed with a statement, they were encouraged to explain why in a text box. For the second Delphi round, for RQ1 the level of agreement was 86% ($M = 4.25$, $SD = 1.06$) and for RQ2 the agreement was 97% ($M = 4.47$, $SD = 0.76$).

The summary statements were revised and updated as needed based upon the second-round feedback of the panel. In the third round, the two original questions and the updated summary statement answer pairs were re-sent out to the panel for review and comment. For this final round, Delphi consensus generally improved. For RQ1, the level of agreement was 93% ($M = 4.52$, $SD = 0.93$) and for RQ2, the level of agreement was again 97% ($M = 4.69$, $SD = 0.76$). While the agreement percentage for RQ2 was unchanged, more strongly agreed than had before.

Findings

Before delving into the research questions, in the first Delphi round, panelists were asked to rate how important they feel business acumen is to the overall success of a public relations and communications professional today. The panel placed strong importance on business acumen ($M = 4.79$, $SD = 0.57$ on a 5-point Likert-like scale) contributing to success. Specifically, more than eight out of ten (84%) said that business acumen was "extremely important." Another 13% indicated this knowledge area was "very important" and only 3% described business acumen as "not so important" to success. These results mirror the results of a quantitative survey of senior communications executives, all Page members, which found that this group placed very high importance on "Business 101" coursework as part of a PR education (Ragas et al., 2015), as well as qualitative research which shows that senior leaders seek business skills on high performing corporate communications teams (Neill & Schauster, 2015; Penning & Bain, 2018).

RQ1: Defining Business Acumen and its Knowledge Areas

In the first round ($n = 40$), the panel responded to an open-ended question, which asked them: when they hear the term *business acumen*, what specific knowledge do they feel falls under this domain for public relations and communications professionals? Many respondents said that, at its most basic level, business acumen is about understanding "how a company makes money" and how it creates value for its stakeholders (i.e., the business model). Directly related is having a knowledge of finance and the ability to understand the organization or client's financials and what impacts them. Professionals should have "finance understanding—although not as deeply as a finance professional" and "financial analysis—ability to read and interpret financial statements." As one respondent said: "Using my corporate experience, it is the ability for my PR/comms team to understand how our company generates revenue, makes a profit and serves our customers. This includes being able to read and understand our basic financial reports and the attributes of our publicly traded stock." On a related note, respondents indicated that professionals must know at least the basic language of finance and business. For example, a

panelist shared that professionals need to be able to "understand key business terms and be able to discuss those terms with your own subordinates or senior management." Another leader said that professionals should have "command of investor terminology and language."

While knowing how to read financials and speak the language of finance and business is "part of the equation," panelists emphasized that business acumen "is more than that." As one summed up: "the short answer is that it is being knowledgeable about those matters that are critical to the success of one's company." This includes knowledge of an organization or client's various business functions and departments, its stakeholders and the markets in which it competes. Business acumen "naturally means that you understand some basics of marketing, finance, sales and general overall business management." As one panelist explained: "we need to have a general understanding of all of the functions that make up a corporation—finance, HR, sales, operations, for example." Another respondent called this "being clear on the overall infrastructure of the company." This is essential as "PR professionals have to be equipped to understand these areas and work across the C-suite with other leaders on an integrated basis."

In terms of stakeholders, professionals should be able "to analyze and synthesize interests and concerns of all stakeholder groups, individually and collectively" and be able "to see the interrelationships and interdependencies across stakeholders." Turning to markets, professionals should understand "the marketplace and the economy, and how they affect the business." Professionals should "understand the sector/industry in which the company operates" including "knowledge of trends, market and geopolitical forces and potential drivers and detractors of the business." This includes tracking peers and competitors within industries and markets. One panelist argued that public relations and communications professionals should strive to "always [be] the most informed person in the room about external trends, challenges and opportunities."

Respondents emphasized that business acumen has helped these senior leaders in their careers to gain the trust and ears of organizational leaders and, in turn, to provide informed strategic recommendations and actions to the C-suite. The panel emphasized the need to understand "business goals and priorities" and answer the questions "what are the business goals?" and "how does PR and communications help to achieve it?" As one panelist explained, the C-suite must have "total confidence in you and your team and to stimulate and drive the mission, vision, values and strategies of the organization." Business acumen should help you "participate in discussions and influence company decisions." In speaking of the proverbial leadership table, one senior leader described business acumen as helping them to "belly up with leadership as an equal and partnering to solve problems, achieve efficiency and drive revenues."

Based on these responses, a summary statement was constructed to integrate the panelists' opinions and attempt to reach a general consensus. Then, the original question along with the summary statement was sent back to the panelists for review and comment. The second-round responses ($n = 36$) indicated a high level of agreement with the summary (86% 'agreed' or 'strongly agreed'). After adjustments were made based on a review of open-ended comments, the revised and updated statement was re-sent to the panel. Agreement improved further in the third round ($n = 29$) with 93% agreement among the panel. The final summary statement is as follows:

> *According to the Delphi panel of senior leaders, business acumen means becoming knowledgeable about business functions, stakeholders and markets that are critical to the success of one's organization or client; using this understanding to assess business matters through a communications lens; and then providing informed strategic*

recommendations and actions. As such, professionals should demonstrate a commitment to ongoing learning about a range of business subjects, including interpreting financial statements and information; strategy; operations; supply chain; organizational behavior, culture and structure; marketing and sales; human resources; technology, data and analytics; economics; legal, public policy and regulatory; stakeholder management; and corporate governance and social responsibility.

Figure 1 provides a visual representation of this summary statement in model form.

Business Acumen Model
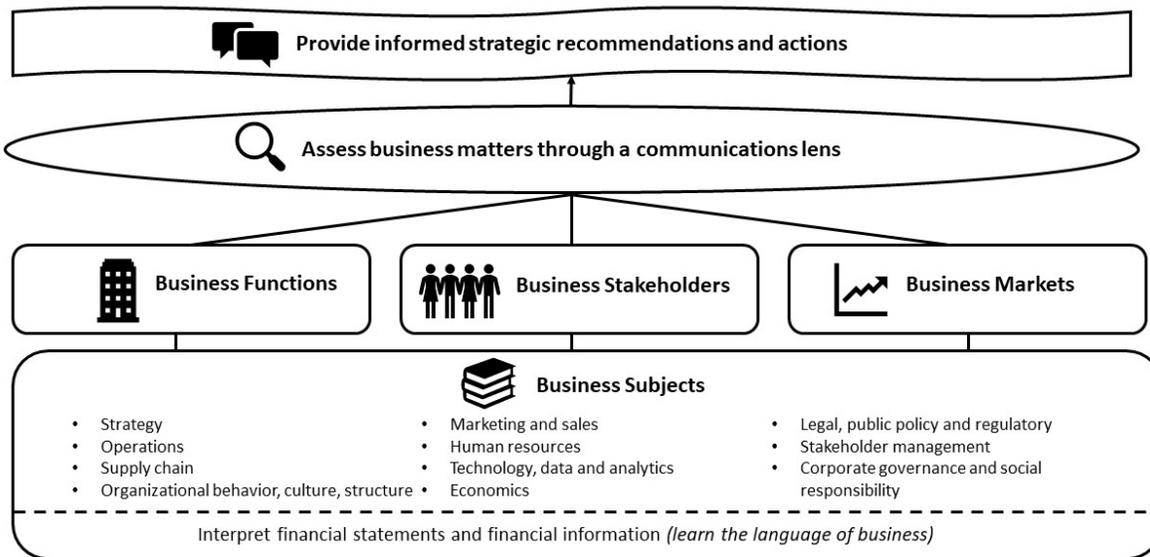
With a Delphi panel (particularly of this size), perfect consensus is rarely achieved or feasible. While the panel strongly agreed overall with this final statement, some favored the qualifier of developing business acumen over time and "the need for ongoing learning," while a few said "you either have it or don't." In this latter view, there should be more urgency among PR professionals to developing business acumen and "it's not something that can wait."

RQ2: Perceived Benefits of Business Acumen

In the first round (*n* = 40), the panel responded to an open-ended question, which asked them: In their opinion, are there any perceived professional, organizational and/or societal benefits to public relations and communications professionals having greater business acumen? The panel was provided with three comment boxes and were instructed to fill in or leave blank as appropriate. They were also given a box to identify any additional benefits. The panel most frequently identified and discussed perceived professional benefits to developing greater business acumen, followed by listing potential organizational benefits and societal benefits.

Starting with professional benefits, business acumen was called "the linchpin in individual growth and advancement"; it helps a communicator "speak beyond that of just a comms professional and greater career growth." One leader went as far as to claim that "business

acumen is the key to rising to the top of our profession." This was related to a comment by a different panelist that "it is a surefire way to be successful" and you will "definitely go farther in the field." Another leader felt that such acumen would give you the "opportunity to advance more quickly in your career." A related comment by another leader was that business acumen contributes to "personal growth and ability to scale influence towards [a] leadership position."

Many panelists felt that a related professional benefit of business acumen was that it helped boost their credibility, respect and/or level of trust with organizational leadership. One said it helps a communicator be "seen as a valued business partner with solutions, so you are asked to engage in the strategy and not just the tactics," while another said business acumen has led to "a richer professional experience because you can apply your skills to solve a wide range of problems. You're invited in. It's very satisfying." Another leader expounded on this theme:

> You are more likely to be granted respect, access and reward because senior leadership trusts and values your contributions and sees them as vital to the health of the organization. It is also likely to make you a more attractive commodity in the job market.

Panelists also believe that professionals with greater business acumen are more likely to advance to senior leadership roles, such as CCO. Professionals may even be better positioned for leadership roles beyond corporate communications. One panelist described this as a "greater opportunity for broad-based organizational leadership" and another spoke of "potential succession planning outside of communications." On the agency side, a respondent said professionals are more likely to get "client 'first chair' assignments when they respect your business mind." The sentiment on career growth was summed up by the remark: "you will be more beneficial to your company and can get promoted easier and may expand beyond comms."

Turning to organizational benefits, the panel once again emphasized that greater business acumen helps PR and communications professionals and teams to gain the respect, trust and support of senior management to serve as a counselor/advisor. This C-suite advisor role can, in turn, help the organization or client to gain a competitive advantage. As a panelist argued: "you are viewed as a credible, insightful functional leader—expanding the influence of the function." Another shared that "your value to an organization will go up as you show your business acumen. Companies need people with a clear vision and the bravery to act on it." There was a view that "the organization benefits from having a communication leader who brings a sophisticated understanding of stakeholder needs into strategic management decision-making." As another panelist put it: "PR/comm pros bring a different perspective and insights about the customer, employees, industry, and environment that others may not have. Therefore, they can offer different solutions and ideas." Communications professionals with business acumen will "have the respect from management and earn a seat at the table with the C-suite" where they can then "bring a different lens to the table" and "more perspectives to problem solving."

There was the view that business savvy communicators who serve as advisors/counselors can help drive better alignment between business strategy and communication strategy, including greater success at achieving business goals and priorities. As such, an "organization is more likely to have alignment around its mission, vision, values and strategies" with "better strategic communications that support business results." A panelist felt that PR professionals and teams with greater business acumen are likely to have more success in "demonstrating the value of

communications in achieving the organization's business goals." As another panelist put it: "the organization won't accomplish its goals if stakeholders don't understand, appreciate and act in a way that supports these goals. That's what we do." A different leader felt that strategic communications professionals and teams that have a high business IQ "leads to work that supports results, ability to influence/drive decisions that benefit the company and its people."

Finally, the panel also felt there were potential societal benefits to PR and communications professionals and teams gaining business acumen. As with organizational benefits, the panel indicated that high business acumen helps communicators to serve in more of an advisor/counselor role to management, which can, in turn, better help the organization to create greater social value. This line of thinking is best encapsulated by the remarks of one panelist that "when the CCO is a strategic leader in the enterprise, it is more likely to be responsive to stakeholder needs and proactively creating social value." When public relations and communications is elevated to the role of advisor/counselor within an organization or client, it "enhances [the] ability to foster a values-based, purpose-driven mindset among leadership." This can result in "better outcomes for society-at-large" and a "great ability to influence companies and counsel on how business can do well by doing good—purpose, not just profit." Some respondents stated that the public relations and communications function "can be the ethical cops for the company" and help to give society a "voice inside the organization."

The panel also felt that, when business savvy PR and communications professionals ascend to the counselor/advisor role to management, there may be better integration of business and social goals for the organization. This can help the organization to drive better stakeholder relationships and organizational reputations. Leaders described this as "using communications to ensure society better understands the role of business…and the specific role of your employer" and the "ability to help the outside world better understand the business purpose and how it contributes to society." Said another way, "businesses/organizations that clearly communicate their raison d'être are better understood by the communities in which they operate."

A summary statement was constructed to integrate the panelists' opinions and work to reach a general consensus. The original question along with the summary statement was then sent back to the panelists for review and comment. The second-round responses ($n = 36$) showed a very high level of agreement (97% 'agreed' or 'strongly agreed') with the summary. After minor adjustments were made based on feedback, the updated statement was re-sent to the panel. A 97% level of agreement was once again achieved, although the percentage 'strongly agreeing' rose from 56% to 79% in the third round ($n = 29$). The final summary statement is as follows:

> **(1) Professional benefits**: The communications professional may experience greater career growth, advancement and job mobility (including potentially rising to leadership roles within the function and beyond). They may gain more trust and credibility among organizational management and be more likely to serve in a trusted business advisor/counselor capacity.

> **(2) Organizational benefits**: When the communications professional serves as an advisor/counselor, the organization may gain a competitive advantage, including better alignment of business strategy and communications strategy, which can drive superior business results.

(3) Societal benefits: When the communications professional serves as an advisor/counselor, there may be better integration of business and social goals for the organization. Communications can foster a values-based, purpose-driven mindset that can drive better stakeholder relationships and organizational reputations.

Figure 2 provides a visual representation of these three presumed benefits of developing business acumen as a PR and communications professional.

Three Presumed Benefits of Business Acumen

PROFESSIONAL	ORGANIZATIONAL	SOCIETAL
The communications professional may experience greater career growth, advancement and job mobility (including potentially rising to leadership roles within the function and beyond). They may gain more trust and credibility among organizational management and be more likely to serve in a trusted business advisor/counselor capacity.	When the communications professional serves as an advisor/counselor, the organization may gain a competitive advantage, including better alignment of business strategy and communications strategy, which can drive superior business results.	When the communications professional serves as an advisor/counselor, there may be better integration of business and social goals for the organization. Communications can foster a values-based, purpose-driven mindset that can drive better stakeholder relationships and organizational reputations.

Note: 97% of the Delphi panel "strongly agreed" or "agreed" with this third-round statement. *Delphi consensus* ranges from 55-100% agreement with 70% often considered the standard (Avella, 2016).

Discussion

This study is in the tradition of scholarship that seeks to help public relations and communications professionals participate in strategic decision-making processes and develop stronger leaders (Berger, 2019; Berger & Meng, 2014; Grunig, 2006; Neill, 2015). In recent years, PR professionals and educators have identified *business acumen* as an essential knowledge area for advancing efforts to serve as strategic advisors/counselors to organizational leadership. An expert panel of senior corporate communication leaders, consisting of current and former in-house and agency senior executives, was convened to better define this key term; articulate what specific expected knowledge areas fall under this term for PR and communications professionals; and identify the perceived benefits or outcomes of having a high degree of business acumen.

Organizing and Advancing the Body of Knowledge

Scholars can create value for the profession by not just adding to the body of knowledge on a subject, but also by helping better define and organize it through bringing practitioners together for group problem-solving. Such was a focus of this study. Through convening a panel of senior corporate communications leaders to discuss *business acumen*, this study brings greater clarity to what this term means and encompasses in a PR and communications context. Further,

this Delphi panel of senior leaders identified a range of important perceived professional, organizational and societal benefits to business acumen. While no Delphi summary statement definition is perfect and represents a balance struck by the panel (Richards & Curran, 2002), the consensus summary statements are valuable in clearing up some of the murkiness surrounding this key term and promoting more mutual understanding on this subject. A shared vocabulary and general agreement on key definitions among scholars and practitioners about public relations terminology has long been important to the public relations field (Hayes & Smudde, 2015; Kent, 2012; Stacks & Bowen, 2013). The results of this study should help provide a more stable foundation and fertile ground for future research on business acumen in public relations.

The summary statement of the expert panel of corporate communications leaders shares some similarities, but also differences, with the informal definitions of business acumen that have been put forth previously (CPRE, 2018, Ragas & Culp, 2018). Similar to the CPRE (2018) and Ragas and Culp (2018) definitions, the senior leaders expect public relations professionals to learn "how business works", including gaining at least a working knowledge of a broad range of business subjects. However, the senior leaders laser in on *why* this business knowledge matters for professionals and their jobs: to use this understanding to "assess business matters through a communications lens" and then provide "informed strategic recommendations and actions."

Strategic decision-making has been rated by public relations professionals as the most important leadership competency (Berger & Meng, 2014) and is, therefore, a critical dimension of the Plank Center's model of integrated leadership in public relations (Berger, 2019). The results of this study re-affirm that business and finance essentials should be a top professional development area for strengthening an individual's strategic decision-making capability. Further, these findings help flesh out this area of the model by describing the specific knowledge areas (i.e., business functions, stakeholders, markets) that senior leaders feel fall under business acumen and have helped them to serve as strategic advisors to their organizations and clients. As one senior leader shared: "senior management more willingly trust and engage communicators who understand business terminology. Most senior CCOs have earned that trust."

Public Relations Education and Curriculum

Famed investor and philanthropist Warren Buffett opined in a recent interview that businesspeople can "increase their value at least fifty percent" if they just "learn to communicate better" (Fuchs, 2019, para. 4). Buffett's career advice can be seen as an endorsement of the efforts of the PRSA MBA/Business School program in recent years to introduce strategic communication content modules into MBA curriculum for business school students (Phair, 2014; PRSA, 2019). But the results of this study serve as an important reminder that this needs to be a "two-way street." Just as business students need to learn the language and perspectives of public relations and communications, public relations and communications students need to learn to understand, speak and translate the language of business, including "how business works."

The powerful professional, organizational and societal outcomes that the senior leaders on the Delphi panel ascribe in part to business acumen, further underscores the value and need for even basic business literacy among public relations students and graduates. For example, as one panelist plainly stated, business acumen at its most basic level means "understanding how a company or brand makes money, including the language of business." Another respondent said that business acumen "means possessing the vocabulary and understanding the work of the adjacent disciplines, including: marketing, finance, HR, legal." Still another succinctly said that a

core part of business acumen is "understanding a P&L and being able to 'make the numbers talk.'" If students and graduates *don't know* what a P&L (profit and loss statement) is and haven't learned finance basics, they certainly can't effectively communicate such information.

CPRE (2006, 2012) has long recommended that PR majors consider taking business classes as electives and even minoring in business, although professionals continue to feel graduates are falling short in this area (Feldman, 2016; Neill & Shauster, 2015; Ragas et al., 2015; Spangler, 2014). More recently, CPRE (2018) has identified business literacy as a recommended additional area of study (along with content creation, data analytics, digital technology, measurement and evaluation). To help PR students gain at least a base-level familiarity with some of the language and vocabulary of business (Duhé, 2013), students can be encouraged through course assignments and discussions to expand their media diets to include business media outlets, such as *The Wall Street Journal*, CNBC and the business section of *The New York Times*. To gain a base-level familiarity with reading financial statements and terms, students can read and analyze quarterly earnings releases, annual reports and CEO shareholder letters of public companies, particularly companies where students may have a natural interest as a potential customer or employee. Public relations and strategic communications curriculum often include PR management, case studies and/or campaign classes; reading and then discussing business and finance content could integrate into such courses (Swann, 2014).

Of course, given the broad range of business knowledge areas that the senior leaders in this study see as encompassing business acumen, a case can also be made for offering more standalone business and communication classes within public relations and mass communication programs (Claussen, 2008; Ragas, 2016; Roush, 2006). Some programs have developed elective or required courses with titles such as Business Skills or Finance Essentials for Communications Professionals, while others are offering courses in Corporate Communications, Corporate Reputation, Corporate Social Responsibility and related titles. Another approach is for public relations students to complete some coursework within business schools, with courses either taught by business faculty or co-taught between business and communication faculty. An MBA may be an option for individuals that already have an undergraduate education in PR or communications and are seeking careers within corporate communications (Marron, 2014).

Continuing and Professional Education

The results of this study also have implications for continuing and professional education. Talent and professional development that helps advance business goals and strategies are a priority for high performing communications teams (Jain & Bain, 2017). As explained by Penning and Bain (2018), "CEOs, under performance pressure from boards and shareholders, want all corporate functions to contribute more tangible value to business results" (p. 2)—including PR and communications. While there are also organizational and external factors at play, a "lack of business and communication competence" was perceived as one of the individual level impediments to a corporate communications team achieving high performance (Penning & Bain, 2018, p. 11). More strategic communications agencies and in-house departments are trying to rectify such deficiencies through offering employee training and development programs with a greater focus on business skills (Ragas & Culp, 2014b). The consensus conclusions of this Delphi panel can inform training and development program team learning goals and curriculum. More specifically, the senior leaders view business acumen as being *broader* and *deeper* than simply being able to read financial information and know business terminology; professionals

need to have at least a working knowledge of the various functional units and departments, stakeholders and markets that are critical to the success of one's organization or client(s).

Limitations and Future Research

This study should be viewed as a "first cut" at more fully explicating what specific business knowledge falls under *business acumen* and the potential beneficial outcomes to having such acumen. Given the dynamic nature of the public relations and communications profession and its continued evolution, there is likely no "final" definition. As with any study, there are limitations that should be considered when interpreting the findings and the conclusions drawn from them. While the Delphi method has a range of previously discussed strengths, there are also possible weaknesses (Avella, 2016; Sackman, 1975; Watson, 2008). Anonymity should have helped get the true opinions of panelists but could have inadvertently limited debate. With any Delphi study, there is the potential influence of the researchers on the group's opinions and possible recruitment bias. Delphi panels are comprised of groups of highly qualified experts (i.e., purposive sampling) so the quantitative results are useful for descriptive purposes but are not necessarily generalizable. Future quantitative studies using probability sampling are needed, such as to test the propositions put forth by the panel pertaining to beneficial outcomes of business acumen. These summary statements need to be further tested not just in the U.S., but in other markets. Cross-national and cross-cultural comparative work could yield valuable insights.

There are many additional paths that may be taken for advancing research on business acumen in a public relations and communications context. The findings of this study drive home that senior corporate communications leaders greatly value business acumen and are in general agreement on what this salient term encompasses. A next logical area to probe: how have senior leaders gone about developing their own business acumen over the years and raising the business fluency of the teams they lead? Such research can help inform professional development programs and training. Looking beyond senior leaders, what are the views and experiences of mid-career and entry-level PR professionals on this subject? In-depth interviews, case studies, focus groups or surveys with practitioners at various career stages could yield insights.

Conclusion

In the hit Broadway musical, *Hamilton*, Aaron Burr laments that he is not allowed into "The Room Where It Happens." Within the corporate world, many functions desire to get inside this room and/or advise senior management—but not everyone can play this role (Bolton et al., 2018; Bowen et al., 2018; Marshall, 2015a, 2015b). As the results of this study illustrate, senior corporate communications leaders believe that business acumen is an essential knowledge area for helping elevate public relations and communications into a de facto strategic management function. Of course, there is no one "magic bullet"; a mix of knowledge, skills, traits and competencies are needed. Only by a collective re-doubling of efforts by educators and professionals on leadership development across the profession (Berger, 2019; Berger & Meng, 2010) will the field solidify its standing within the enterprise, among stakeholders and society.

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