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Which Organizations Are Trusted Most On Capitol Hill?



David K. Rehr, PhD, CEO of TransparaGov, Inc. and Professor at the Graduate School of Political Management at George Washington University

Some interesting research from David K. Rehr, PhD, CEO of TransparaGov, Inc. and Professor at the Graduate School of Political Management at George Washington University, has revealed what congressional staff really think about the various institutions that lobby them. There's good news for state and local governments, nonprofits and small business (and even the federal government) but mixed news for corporations and unions. Although the research was conducted with congressional staff and not the ultimate decision – maker, the legislator, it offers useful insights on which institutions are trusted, and how they can improve their relationships with congressional staff, who are the gatekeepers. Dr. Rehr's research, Capitol Hill Attitudes Toward American Economic Institutions, was sponsored by the Original U.S. Congress Handbook and the George Washington Graduate School of Political Management.

Rehr surveyed 320 congressional staff members and asked them how trustworthy they find the information they receive from various economic interests. State and local government ranked at the top -90% of the respondents trust the information provided by the policy makers back home.

How trustworthy do you find the information you receive from these economic institutions?

Institution	Very/Somewhat Trustworthy	Not very/Not at all Trustworthy
State/Local Government	90.16%	09.02%
The Federal Government	85.77%	13.01%
Non-Profit Organizations	87.80%	10.17%
Small Business	82.52%	13.42%
Corporations	64.77%	31.98%
Organized Labor	48.98%	46.94%

Dr. Rehr stated that he was intrigued that that there was so much trust in state and local government officials. From my perspective, the reason the state and local government folks are trusted is because they are very similar to the elected official and their staff. Similarity is a very primitive, yet huge driver of trust. Many members of Congress were once county commissioners, city council members, mayors, etc., so they have had experiences akin to the state and / or local government official. They're in sync, and fair or unfair, similarity is a driver of at the very least, rapport, and in many cases, persuasion.

Further, when asked "How often do you hear from each organization when policy affecting them is being considered by Congress?" State /Local Government ranked near the bottom of the list in terms of frequent contact. Corporations were first, yet they are trusted less. State and local governments have the luxury of being trusted while making less contact on Capitol Hill.

The federal government's second place ranking would probably have been lower if the survey was conducted prior to the NSA wiretapping and IRS shenanigans. Not surprisingly, non-profits and small business ranked very highly. As I wrote in one of my first posts, we ascribe trust to the underdog, and most non-profits and small businesses have underdog "street cred." They have few resources, they don't waste the resources they do have, they ideally do not brag about their underdog status, and they keep others' expectations low.

We can assume that each time a corporation allocates resources to lobbying a particular cause it is because there truly is a bottom line impact to the corporation, which affects shareholders, and employees. There are occasions, however, where the stated consequences of the legislation being enacted or defeated is exaggerated. When the onerous legislation passes and the company does not relocate to Guam, does not lay off half their work force, etc., trust is eroded for the next debate. If dire consequences will occur, by all means convey that, but corporations and unions shouldn't exaggerate the effect of certain proposals. Not adding to the corporate trust equation, while 93% of the respondents believe that corporations are needed for U.S. economic growth and jobs, 58% believe that corporations "put profits ahead of people."

The Bottom Line #1: According to Dr. Rehr, business advocacy groups might want to seek additional partnerships with state and local governments to strengthen their case on Capitol Hill, making for a more explicit private/public partnership.

The Bottom Line #2: Big organizations have underdog qualities; they all were small at one point, and they need to imbue their culture and external communications with their struggling roots. Further, they usually serve the "little guy" whether a patient, insurance policy holder, or small auto parts supplier. We trust small more than big. As I wrote in <u>Underdog Edge</u>, small is an advantage; it implies sacrifice, and hard(er)

work than what is performed (fair or unfair) in big organizations. We ascribe positive qualities to the "little guy" and rooting for them means that we are good people because we support them.

Bad News for Labor Unions

The survey slightly oversampled Democrats, so this result is especially surprising: 48.9% of respondents rank labor unions as "very/somewhat trustworthy", but 46.9% rank them "not very/not at all trustworthy." The research did not allow for verbatim comments, so we don't know exactly why the union trust level is so much lower than small businesses at 82% and corporations at 64.7%. It may be the age difference among national labor leaders and congressional staff, which can impact the similarity of principle influence, or it may be their predictable allegiance to issues that don't benefit their members—bias in overdrive.

For example, <u>labor leaders are having a change of heart on the Affordable Care Act</u>, which makes one wonder if they ever objectively assessed what the legislation would do to their health care plans. They may have forgotten about the "little guy" they represent — their members. This admission will further hurt their credibility, because it shows that they either were woefully obtuse when examining the provisions of Obamacare, or they did and didn't care because of their loyalty to Democrat leaders.

Eight-two percent (82%) of the respondents "would be open to receiving more communications from local small businesses" in the member's state or district, which is almost twice as many who said they would be open to receiving more communications from national labor organizations. Local labor organizations in the district fared a little better at 55.3%.

The Bottom Line: Corporations can learn from the mistakes of national labor leaders. Be as objective as possible when evaluating legislative proposals from your political friends. Publicly point out where legislative initiatives can be improved, even when it is proposed by reliable allies.

Your Organization is Always Being Compared to Others

This research is a good reminder that, as I tell my audiences, you're always being compared to another organization—there are no orphans in decision making. The contrast principle is always at work. In today's hyper-partisan environment, an organization's trust quotient is very important, because trust is the gateway to persuasion. I view trust as simply a lack of bias with some expertise thrown in, but the expertise has to be unbiased—we all have heard from the "experts" who come to very different conclusions on an issue based on their political affiliation.

According to Dr. Rehr, "I conducted the research because congressional staffers generally are not experienced in business or trained in economics. Their education is usually political science or government. Many Hill staff come to D.C. as a result of working on a successful campaign. Now they are in positions of authority which could inhibit or allow for economic growth. I wanted to check to ensure they had a positive perception of free enterprise, corporations, etc." Whether their perceptions are accurate or not, they definitely have opinions that can translate into public policy decisions, and smart organizations should pay attention to their perceptions.

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