



### Aligning Public Affairs with Long-term Value for Business and Society

In today's volatile environment, companies must make strategic decisions in the face of multiple major disruptions to the business and societal context. These disruptions spotlight the need for more integrated governance of public affairs, so companies can speak and act with one voice, in a principled way.

**How do companies avoid “picking sides,” potentially alienating half their employees, customers or investors?** With the politicization of issue after issue, more rigorous, agile and aligned decision-making is both a necessary practical strategy and a critical enabler of long-term value for business and society, with three practical benefits:<sup>1,2</sup>

**Risk Mitigation:** At a firm level, companies expect more intense scrutiny and pressure to engage on often-conflicting issues, where inconsistent or reactive approaches can create reputational, legal, political and business risks. At a systems level, companies face more complex decisions in the face of geopolitical instability; regulatory, policy and legal uncertainty; the rapid rise of AI; new cybersecurity threats; costly environmental catastrophes; conflicting views on energy policy; and hardening political polarization.<sup>3</sup>

**Long-term Value Creation:** Delivering on longer-term strategic commitments to investors and other stakeholders requires significant capital investment, which in turn, depends on effective government and predictable market “rules of the game” that reward real value-creation and internalize negative externalities. Unfortunately, more frequent and severe short-term shocks can divert management attention from longer-term, mission-critical priorities.

**Fiduciary Duty and Business Purpose:** Amid societal division and distrust, managing a company's external influences to support healthy economic, civic, and natural systems is critical to boards and managers fulfilling their fiduciary duties to the long-term success of their enterprise. In addition, new reporting requirements on political influence place added pressure on governance and oversight.

## WHAT IS THE THIRD SIDE?

In polarized times, it seems we have to choose one side or the other—or try to stay out of the fray. But what if the conflict around us is becoming destructive?

In these situations, our best choice is to take the third side, the side of our whole country and its future—even as we work through difficult issues. Taking the “third side” is not a tactic or formula, but a mindset for decision-making. It means refusing to accept only two options but seeing possibilities in the midst of intractable conflicts.

We can do this privately or publicly, in a variety of ways, such as surfacing shared values, supporting fair processes or investing for the future.

To learn more, please see: [Possible or What is the Third Side?](#) by William Ury

## HOW WE HELP

**As an action-oriented think tank and advisory firm,** Third Side Strategies supports managers, boards, investors, advisors and others working to improve public affairs governance in today's turbulent environment. Amid pressure to "pick sides," we believe it is most effective to take the "third side"—focusing on shared long-term value for business and society.

To achieve this, we help companies review their governance practices and identify opportunities to implement Corporate Political Responsibility (CPR Governance), an emerging non-partisan best practice that helps firms be consistent, principled and prepared, regardless of their political environment.

**Here are three specific ways we can help:**

- **The CPR Hub:** A dynamic, curated central site featuring practical ways to apply CPR Governance and compelling materials for discussing when, how and why.
- **Capacity-building and Consultation:** High-engagement presentations, executive education and tailored consultations to help leaders apply CPR Governance tools to real-world scenarios.
- **Research and Analysis:** Joint projects with partners and students, to understand real-world CPR applications, assess its impacts, develop new tools and bring CPR into the business classroom.

**Third Side Strategies** helps companies reduce risk and enable long-term value for business and society, by strengthening the governance of their public affairs. Specifically, we help companies embed Corporate Political Responsibility as a non-partisan best practice.<sup>4,5</sup>



the**cpr**hub.org

## WAYS TO GET STARTED

We recognize that improving CPR Governance is a journey, led by business leaders, board members, investors, advisors, and others who have an interest (and desire) to influence change within and beyond their organizations. Wherever you are, here are several ways to take the next step:

### 1 Check Out The CPR Hub

Scan the Toolkits section of The CPR Hub, explore our CPR Governance Review Guide for Managers, or use the site to start a conversation with a colleague or client.

### 2 Schedule a Conversation

Reach out to plan a private or public workshop, facilitated dialogue or executive education program tailored to your objectives—including relevant guest speakers.

### 3 Share your Expertise and Ideas

We will be engaging The CPR Hub Advisory Board and a group of CPR Fellows from business, academia and civil society, to provide input and share expertise. Let us know if you are interested in joining.

If you would like to discuss these opportunities, please reach out to [info@thirdsidestrategies.org](mailto:info@thirdsidestrategies.org)



**Third Side Strategies**

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## ABOUT US

Third Side Strategies began as the non-partisan [Corporate Political Responsibility Taskforce](#) at the [Erb Institute](#) at the [University of Michigan](#) and is now hosted by [Future 500](#), a non-profit consultancy focused on “finding common ground for the common good.” Our team includes:

**Executive Director, Elizabeth Doty** led the CPR Taskforce from 2021-2024, serves as faculty with Ross Executive Education, served as a [Lab Fellow](#) with the [Safra Center for Ethics at Harvard University](#), and co-authored, [The Importance of Corporate Political Responsibility](#) (with Lyon and Winston). For 30 years, [her consultancy](#) has helped leading companies align across functions and implement strategic commitments.

**Director of Governance and Risk Integration, Lauren Caplan** developed the [Corporate Guide to Navigating US Political Risk](#) as Head of the Democracy-Aligned Investing Initiative with the [Leadership Now Project](#). She served as Associate General Counsel in the Yale Investments Office, and now teaches at [Yale School of Management](#) on navigating uncertain regulatory climates in asset management. Lauren also served as a member of the [PRI Private Equity Working Group](#) and the [SASB Advisory Council](#).

**Faculty Advisor, Tom Lyon** is the Dow Chemical Professor of Science, Technology and Commerce at the Ross School of Business, lead author of [CSR Needs CPR: Corporations, Sustainability and Politics](#) (Winner of CMR Best Article of the Year in 2019), and editor of [“Corporate Political Responsibility”](#) (Cambridge University Press, 2023).

#### NOTES:

1. Price, Tom. “[Managing Risk: Public Affairs and Enterprise Risk Management](#),” Foundation for Public Affairs, 2010. Accessed 1/26/2025.

2. Reeves, Martin, and François Candelon, eds. [Dynamic Business Strategy: Competing in a Fast-changing, Uncertain Context](#). Walter de Gruyter GmbH & Co KG, 2021.

3. Van der Oord, Friso, and Sikora, Ted. “[Directors Should Prepare to Address Five Board Dilemmas in 2025](#),” NACD Governance Outlook 2025, National Association of Corporate Directors, 12/11/2024. Accessed 1/26/2025.

4. By Corporate Political Responsibility, we mean “the responsible use of a company’s influences in the public sphere, applying a judicious, consistent, and principled approach across issues, jurisdictions and activities.” See [bit.ly/ErbPrinciples4CPR](https://bit.ly/ErbPrinciples4CPR).

5. According to the Public Affairs Council, “Public affairs is an organization’s efforts to monitor and manage its business environment. It combines government relations, communications, issues management and corporate citizenship strategies to influence public policy, build a strong reputation and find common ground with stakeholders.” [pac.org/about](https://pac.org/about)