

FUNDAMENTALS ENDURE

THE POWER OF CLEAR COMMUNICATION

A Business Partners Q&A with Diane Gargiulo, Founder/
Principal of Gargiulo + Partners, on the occasion of her strategic
communications firm's 25th anniversary, to get some reflection
and industry insights.

Congratulations on your firm's 25th anniversary! What prompted you to start your business in strategic financial communications 25 years ago?

Thank you. The founding of Gargiulo + Partners in 1999 was a natural outgrowth of the work I had been doing for the prior dozen years at J.P. Morgan in the Mergers & Acquisitions Groups in NY and London. At that time, strategic communication was not considered important or even necessary in financial transactions. Indeed, few bankers even recognized the term. Deal-related communications focused on the numbers, and raw spreadsheet data was often the only format used. We believed the success of M&A transactions could be enhanced with strategic communication—a clear, compelling narrative presentation of the strategic as well as financial merits of the deal. Despite some initial skepticism, clients embraced this approach when they saw the positive impact good strategic communications could have on deal outcomes.

In 1999, while I was taking a break in Italy, a few European clients and bankers I had worked with asked me to advise them on public and private capital-raising communications, which I did on a consulting basis. That was the start of the business.

Looking back over these 25 years, what has changed? Have there been any significant shifts, or have you noticed business cycles or patterns that reemerge over the years?

Two mindset shifts are notable. The biggest change has been the elevation of the com-

munication function within corporations. Today, it's widely accepted that strategic communication plays a key role in creating sustainable value for all stakeholders and at all levels—from investor and deal communications to communications with suppliers, customers, employees, and regulators and the general public's perceptions about the company. The 2008 global financial crisis accelerated this shift, as companies came under fierce criticism for their perceived role in the crisis. Since 2008, as issues such as climate change, inclusivity, stakeholder capitalism, and AI have dominated public discourse, the role of strategic communications within corporations has become even more important. This has held true over business and economic cycles.

A related change has been the realization that a company's communications, no matter what form they take, are opportunities to convey a message, foster stronger relationships and build trust. A good example is disclosure documents such as annual proxy statements

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and company quarterly and annual financial reports. In the past, they were treated as pure regulatory documents, populated with lots of dense, hard-to-parse tables of data and legalistic writing. While numbers and data are, of course, critical, a well-structured, clearly written, visually engaging narrative provides essential context and enhances readability. By focusing on clear communication as well as compliance requirements in crafting disclosure documents, companies can control the message, satisfy the regulators, and engender goodwill with stakeholders.

While, of course, you can't share client names due to the bespoke and confidential nature of your work, can you tell us about any favorite or not-so-favorite client engagements?

We love working on M&A and IPO transactions, because our work positively affects the outcome and, since we work across industries and geographies, it's fun to learn about new industries and businesses and cultures. Our work involves one-to-one communication coaching, where we provide trusted counsel to help current and rising executives develop their natural communication styles and distinctive voices. It's gratifying to see executives hone their skills and become masterful communicators.

Less favorite engagements are when we're brought in at the end of a deal and have very limited time to work with management. While we can almost always make some impact, it's frustrating to know we could have made a bigger difference had we been brought into the process earlier.

What are some of the major reasons clients have come to you over the years? What are some of the things you help them solve?

Clients tell us they appreciate our discretion, sense of urgency, deep experience in strategic communications across industries and geographies, and the truly bespoke nature of our advice. We know from our decades of experience across industries and cultures that every executive has innate, if sometimes not immediately obvious, communi-



cation strengths. We help them hone their ideas, crystallize them into compelling and distinctive messages that resonate with the people they need to reach, and deliver them in simple, clear, and authentic language.

The media environment has changed a lot in 25 years. How has that affected your work?

It may seem surprising, but it hasn't really affected our work. The proliferation of new communication technologies and platforms, the fragmentation of media, and the breathtaking speed with which news goes viral and voices get amplified has not

changed the fundamental need for sound communication strategy and strong content. In fact, it's made good strategic communications more important.

What advice do you have for a newly appointed leader who is unfamiliar with strategic communications?

Control the message internally and externally. Hire the best Chief Communications Officer you can find. Ensure your people understand and are effective ambassadors of the message. And never underestimate the power of sound communication strategy and clear, authentic messaging. 🐾