

2024 Q3 CORPORATE INSIGHTS

# How Executives Are Preparing for Election 2024

September 2024

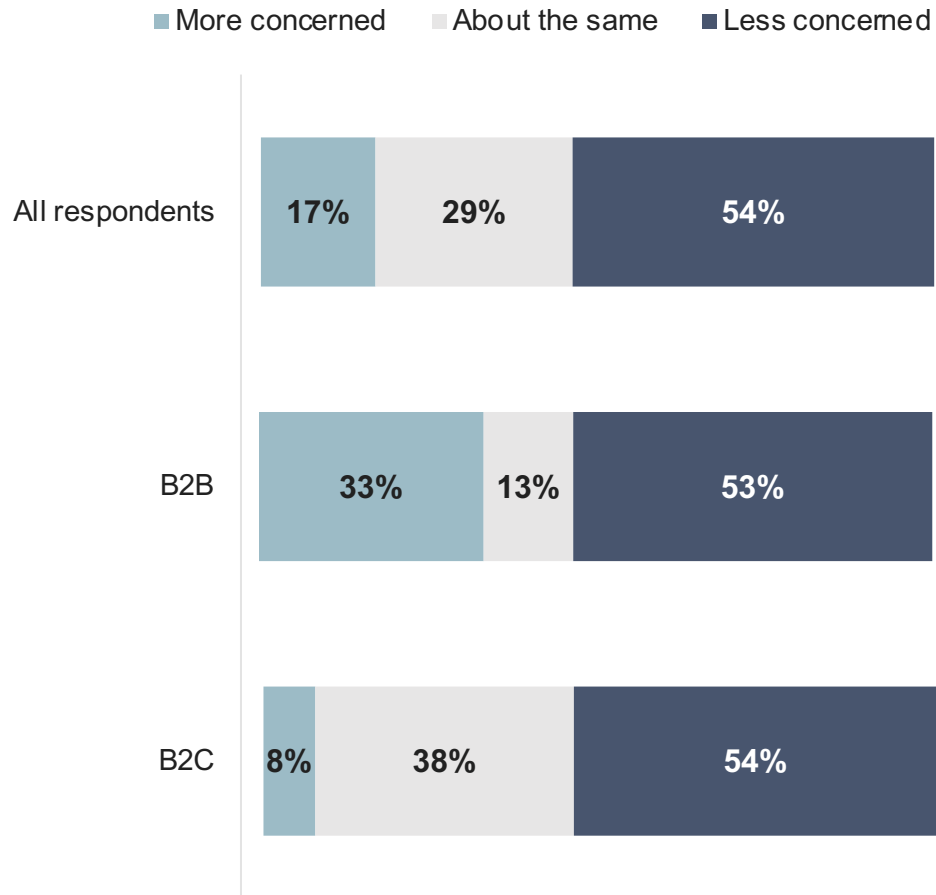
# It's a new race, but anxiety among top executives remains high ahead of 2024's final sprint

That's according to Gravity Research's latest 2024 Q3 Sentiment Survey of its [Corporate Insiders Group](#), a select group of corporate executives, including leaders in the Fortune 500.

- 1 **More executives say a Trump administration would pose reputational risk on key issues.** But they believe Harris would pose more risk on antitrust and regulatory pressure.
- 2 **2024 election dread won't go away in November.** In fact, it may get worse. As one executive puts it, the most concerning part is "the aftermath."
- 3 **Executives are feeling prepared, but few are scenario planning.** On average, less than 40% have created plans for scenarios of top concern.

# Some executives' election worry has dipped with Harris in seat

Share of respondents who said they are **more** or **less** concerned about the election now that Vice President Harris is the presumed Democratic candidate



10% of all respondents reported being “**much less**” concerned with Harris as the Democratic candidate

B2B companies are about 4x more likely than B2C companies to be more concerned with Harris at the top. This could be due to Harris’ stances on regulation and antitrust, which could signal stricter oversight and potential challenges for B2B operations

Considering how stressful the election cycle has been so far, we wanted to check in with executives to see how their concern level shifted amid Harris’ ascension.

Over half (54%) of executives are less concerned with the election now that Harris as the Democratic candidate.

But the question here is broad open to interpretation. Here’s a few readings of it:

- Executives view Harris as a **steadier figure** compared to Biden, dialing down the election drama
- Executives were concerned about the **reputational risk** of another Trump administration and believe Harris could block his second term
- Keep in mind — 54% are less concerned, but 46% are just as concerned or more. That’s fairly even



## ELECTION WORRIES

# But executives are still on edge, citing ‘increased negative rhetoric’

We asked executives to say **what they’re most concerned about in the upcoming 2024 presidential election**:

KEY:  POLITICAL VIOLENCE  EMPLOYEE PRESSURE  POLARIZATION

*“**Politically motivated violence** in the lead up and wake of the election” – Health care executive*

*“**Increased employee angst over divisive rhetoric**; more significant conflict between election and certification if the results are close.” – Financial services executive*

*“Increased negative rhetoric on both sides that could spill into the workplace. Harris' candidacy is historic for some and may stoke **anti-DEI talk** in others. Trump's candidacy: those who feel marginalized could spill over into the workplace.” – Information technology executive*

*“Pressure increasing to 2020 levels on companies to speak out; **expectations of employees out of line with where corporates are**” – Utilities executive*

*“I am deeply concerned that the **increased polarization** mixed with a volatile climate will create unforeseen, and unforeseeable, risks for companies” – Consumer staples executive*

*“**Civil unrest in HQ city** if election results not respected; Physical violence in public places that would be near retail locations of our company” – Consumer staples executive*

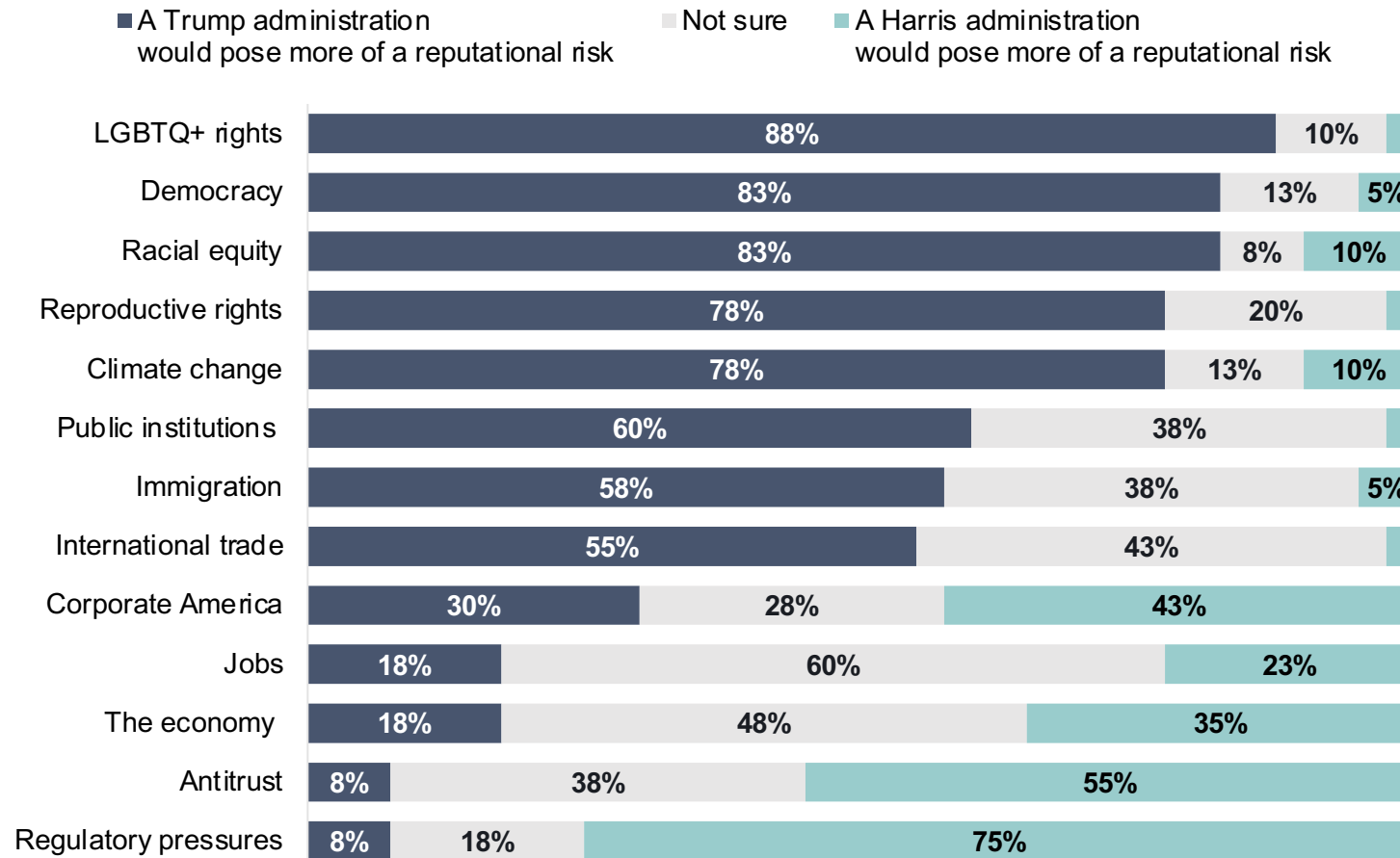
*“**Mental health and well-being of employees** if the political rhetoric continues to intensify and become even more vitriolic” – Financial services executive*

*“Increased rhetoric around cultural issues such as **race and DEI**, and accompanying efforts to target corporations for their DEI programs” – Financial services executive*

## REPUTATIONAL RISKS

# Executives believe a Trump administration would pose more of a reputational risk than a Harris administration — on nearly every issue

Share of respondents who said a **Trump** or **Harris** administration would pose **more** of a reputational risk for their company when thinking about the following issues



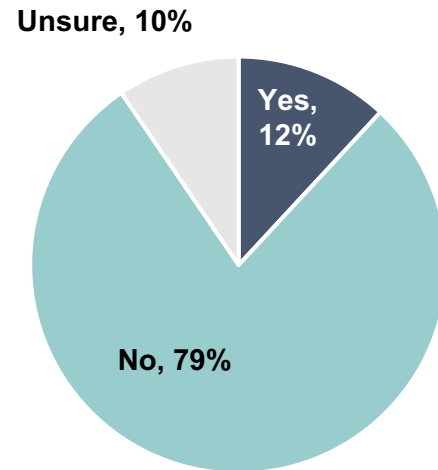
Executives think a second Trump term would pose a greater reputational risk than a Harris presidency on the key social issues corporations touch, including **LGBTQ+ rights**, **racial equity**, and **reproductive rights**.

Harris is seen as a bigger reputational risk when it comes to **regulatory pressures** and **antitrust**.

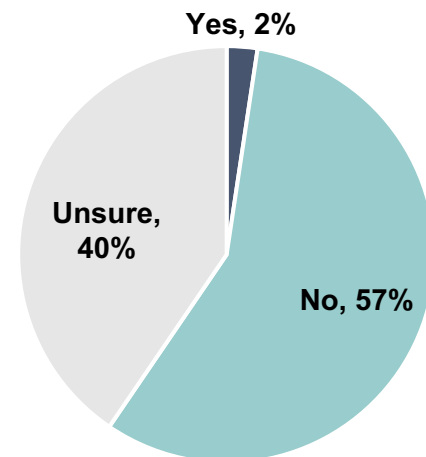
**Jobs** is the one issue in which most (60%) executives were unsure about which administration would pose greater risk. There's similar uncertainty with the **economy**, although executives are roughly twice as likely to say Harris would pose more of a reputational risk than Trump.

## Most executives have already decided not to speak up if a candidate refuses to accept the election results

Share of respondents who said their company made a statement **addressing Trump's refusal to accept election results**



Share of respondents who said their company plan to issue a statement if **one of the presidential candidates were to refuse to accept the results of the 2024 presidential election**



Corporations, for the most part, stayed mum when then-President Donald Trump did not to acknowledge Joe Biden's win in 2020. Our survey shows **79% of executives said their company did not issue a topical statement** at the time.

Fast-forward to 2024, when many Republican officials have already laid the groundwork to contest the results of the presidential election. Asked if they would pen a statement for this election cycle addressing election result refusal, **most executives (57%) have already decided that their company will not issue a statement.**

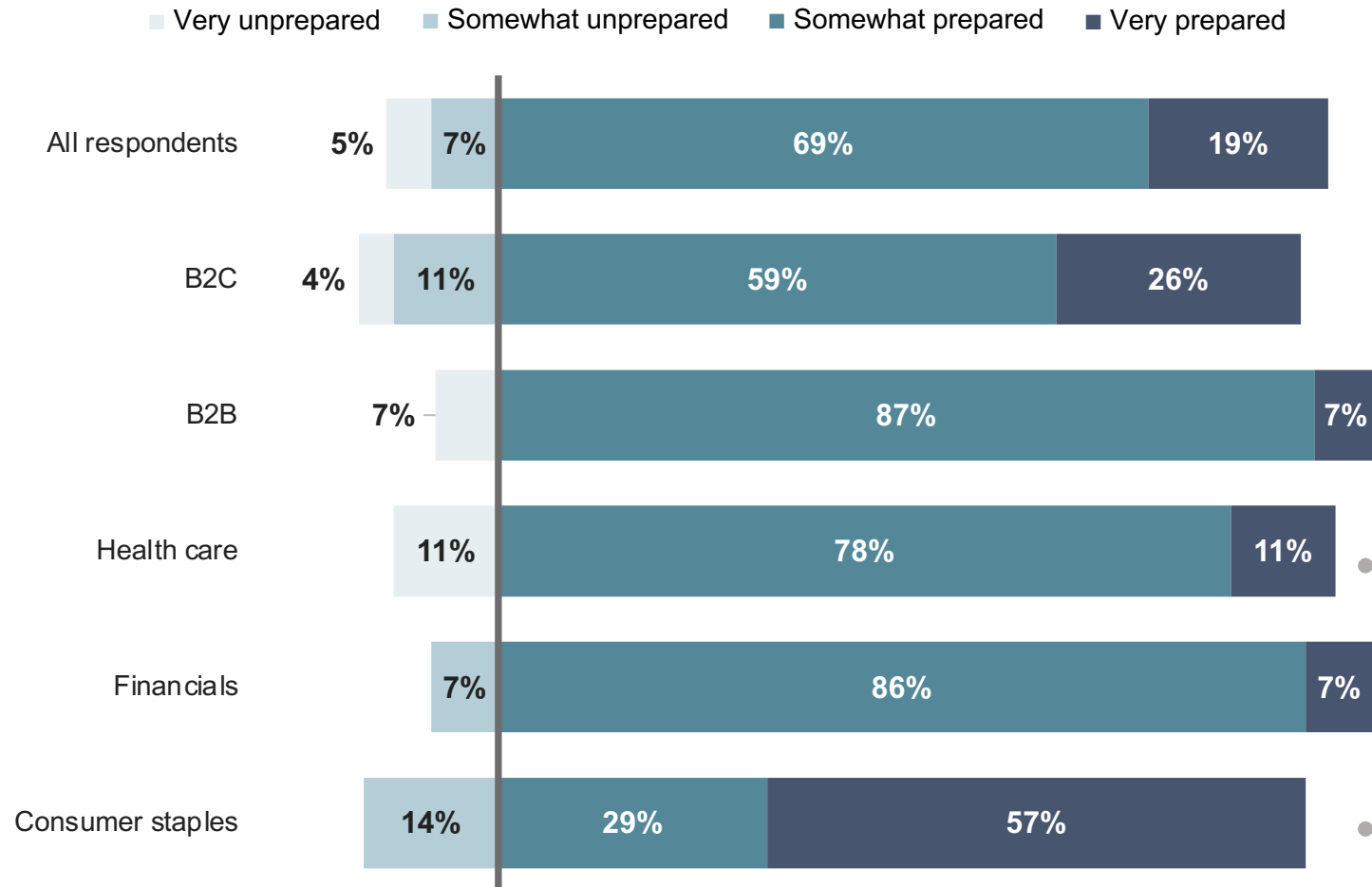
**Among the few (12%) who did speak out in 2020, most (60%) now say they will remain silent in 2024.** The other 40% are still undecided.

As we've seen, corporations are less eager now than in the past to wade into social, political and cultural issues. This data suggests that approach will extend into debates around election accuracy. But not without possible tension: Employees have slowly become executives' loudest stakeholder on many issues and could press them to speak out on contested elections.

## ELECTION PREPAREDNESS

# Executives say they're prepared for the election, with consumer staples reporting the highest readiness

Share of respondents who said they feel their company is **prepared or unprepared** for the 2024 election



**11% of health care companies feel very unprepared**, the highest reported unpreparedness of any industry we surveyed, indicating potential vulnerabilities. This sector may face unique challenges related to regulatory uncertainties or heightened public scrutiny during the election cycle

**A striking 57% of consumer staples companies report being very prepared**, far surpassing other sectors. This suggests a strong confidence in their ability to handle election-related challenges, likely due to the essential nature of their products and their experience in navigating crises

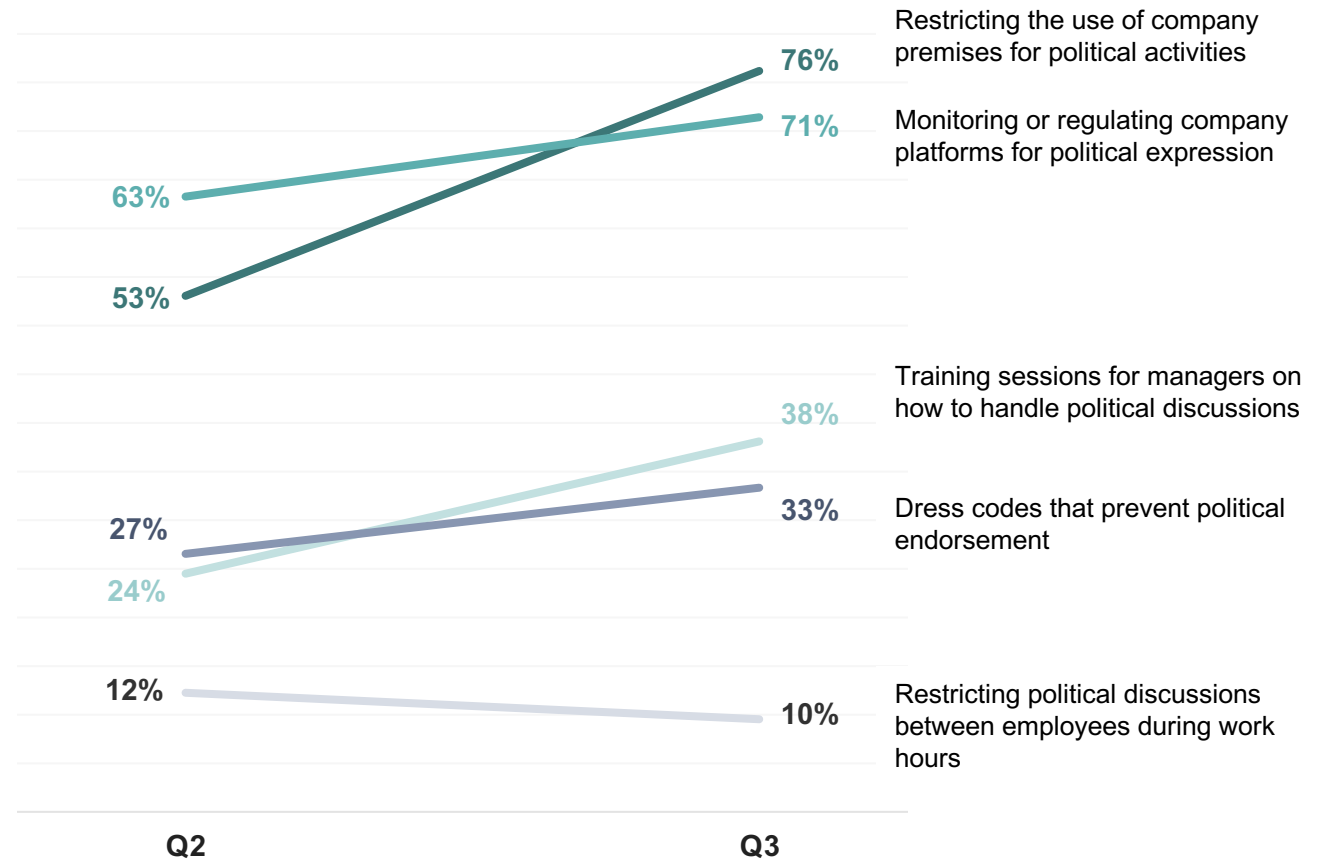
## More corporations are now planning workplace political expression policies

Here's where we see some of why **88% of companies feel prepared about the 2024 election**: They're thinking more seriously about workplace political expression.

Companies are increasingly implemented measures like **restricting political activities on company premises** (up from 53% to 76%) and **monitoring company platforms** (63% to 71%), compared to when we last asked in May. Additionally, more are **training managers on how to handle political discussions**, reflecting a more robust approach to maintaining workplace harmony.

To be fair, a lot has happened since we last asked this question: An assassination attempt on former President Trump; Biden stepping down from the race and elevating Harris; one convention; one televised debate; and increased cultural rhetoric on issues such as the Israel-Hamas war, reproductive rights, racial equity and DEI, and immigration. We're also 93 days closer to the election.

Share of respondents **planning to implement policies to dissuade political disruption in the workplace** (Q2 compared to Q3)





# Concern levels haven't substantially risen since Q2, but the issues executives are worried about have shifted

Major issues of concern have shifted with Pride Month in the rearview mirror, now reflecting broader risks around the 2024 election.

**Concern about racial equity and economic empowerment are up, (2 and 16 percentage points, respectively)** likely tied to the new Harris/Walz ticket.

**AI worries jumped 19 percentage points** and will likely increase as AI-generated misinformation about the election continues to spread.

**Climate change remains a top-of-mind issue, but has dropped 10 percentage points** since Q2 as other societal issues take up the spotlight.

	Share of respondents who listed the issue among the <b>top three issues of concern</b> for their company	How <b>concern has shifted</b> between Q2 and Q3
Racial equity	43%	↑
LGBTQ+ rights	43%	↓
Economic empowerment	38%	↑
Climate change	33%	↓
Artificial intelligence	33%	↑
Drug pricing	17%	↑
Israel-Hamas	14%	↓
Disability rights	14%	↑
Reproductive rights	12%	↓
Immigration	10%	↑
Nutrition & food access	10%	↑
Health equity	7%	↓
Workers' rights	5%	↓
Crime & safety	5%	↑
Election integrity & voting rights	5%	↑
Sustainability	5%	↑
Religious diversity	2%	↓
Veterans' rights	2%	↑
Gender equity	0%	—



# Gaps in concern and preparedness for low business impact scenarios

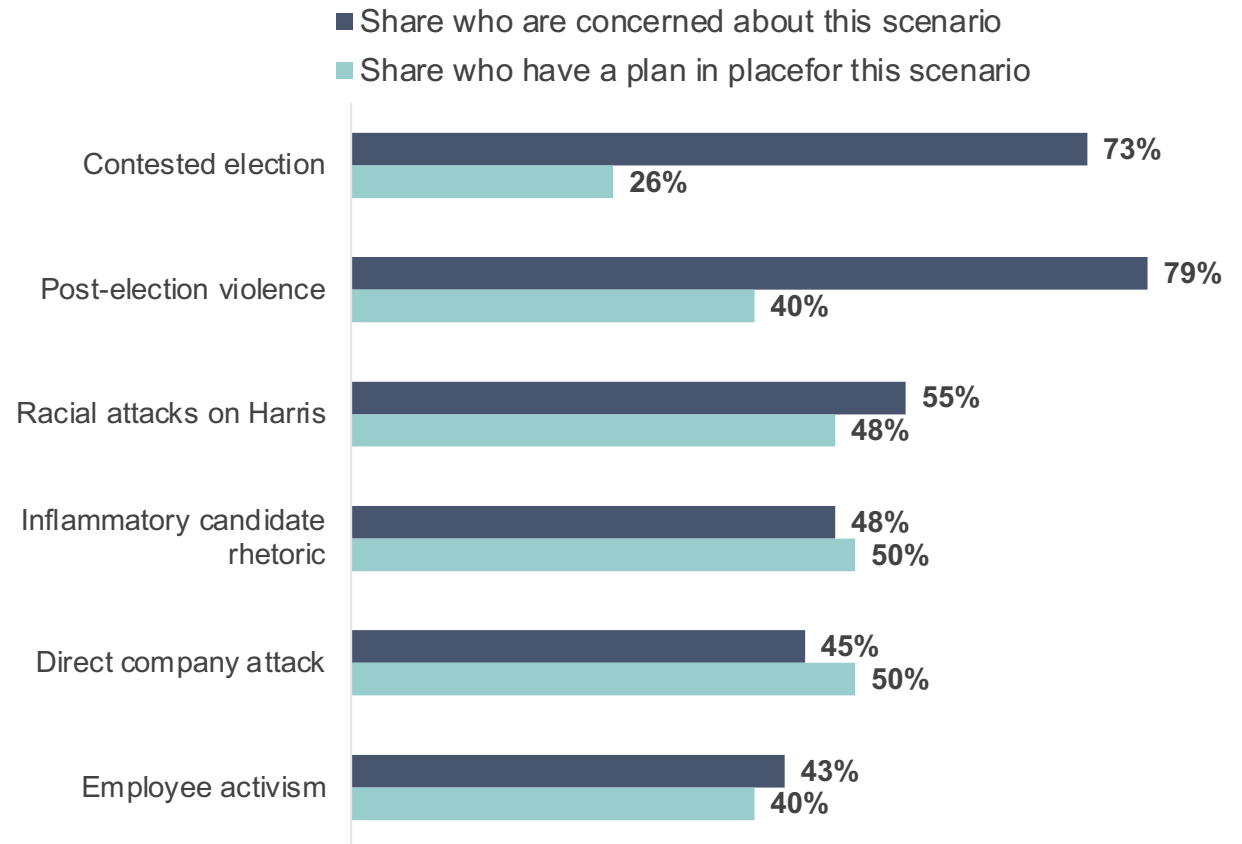
In anticipation of November’s election, we asked executives to assess their level of concern and preparedness across six critical election-related scenarios, including direct company attacks from candidates and employee activism.

We see the biggest gaps in concern vs. preparedness in the contested election and post-election violence scenarios. These scenarios have the highest potential impact on our democracy, but the lowest impact on individual businesses — likely why we’re seeing so few executives report plans in place.

That said, employees and consumers may turn to corporations for stability and support during such tumultuous times. Corporations should have plans in place for these seismic events.

[Be in touch with Gravity Research](#) to firm up your leadership team’s scenario planning.

Respondents were provided six different election-related scenarios. They were then asked how concerned they were about each scenario, and whether they had a plan in place. **Scenarios are sorted by largest gap in concern and preparedness.**



# CCOs are taking the lead to prepare for election-related risks

When asked about the election-related scenarios they have planned for, **executives were most likely to say their corporate communications officer was involved.**

Direct company attacks and any race- or identity-based attacks on Harris involved the most leadership positions, but were seen as less critical issues overall when looking at other data in the survey.

Notably, **less than 75% of all respondents plan to involve their CEO for any scenario.** The most common scenarios for CEOs to weigh in on (>50%) are **direct company attacks, election uncertainty, and post-election violence.**

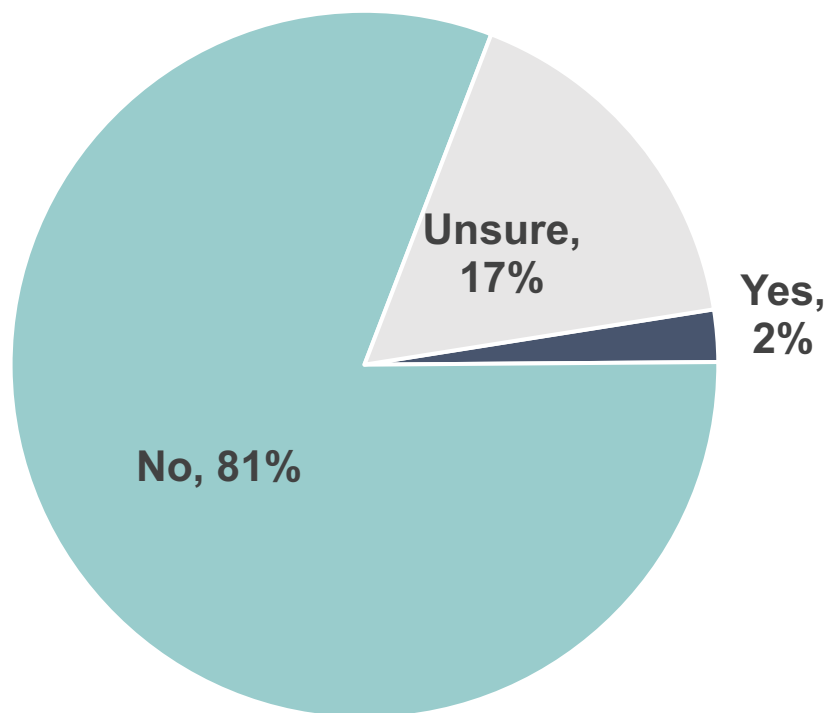
Respondents were asked **who is involved in their planning for each election-related scenario.** A ✓ indicates that at least 75% of respondents said the title was involved.

	Direct Company Attack	Employee Activism	Inflammatory Candidate Rhetoric	Racial Attacks on VP Harris	Election Uncertainty	Post-election Political Violence
Chief Comms Officer	✓	✓	✓	✓	✓	✓
Chief Gov. Affairs Officer	✓		✓	✓	✓	✓
Chief Human Resources Officer	✓		✓	✓		
Chief Diversity Officer	✓			✓		
Chief Executive Officer						



## The vast majority of companies don't plan to adjust net-zero commitments

Share of respondents who said they are **planning** or **not planning** to adjust their net-zero climate commitments



Although some companies are shying away from climate action groups such as Climate Action 100+ and set guidelines like the SBTi, **roughly 4 in 5 (81%) companies are not planning to adjust their net zero climate commitments**. Only a small fraction (2%) are considering changes, while 17% remain unsure.

As NYC Climate week approaches (Sep 20th - 29th), and the release of the Net-Zero Standard 2.0 in Q4, companies may face heightened scrutiny of their climate policies. The updated Net-Zero Standard, which will clarify carbon credit use and Scope 3 emissions reduction requirements, may prompt some companies to reassess their strategies.

However, **our data indicates a strong resolve among corporations to adhere to existing commitments and partnerships**.

Some are questioning their affiliations with climate-focused organizations - **12% of all companies with the World Economic Forum** - most (81%) are maintaining their strategic alliances.

# Corporate Insider Group's survey demographics

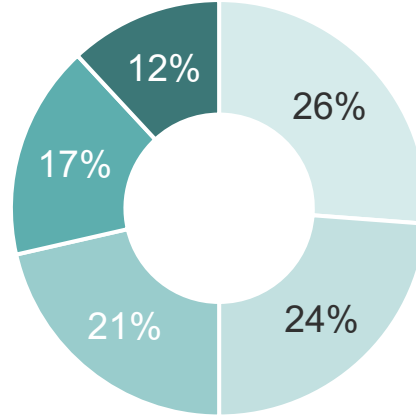
Between July 30th and August 9th, 42 executives completed the **Corporate Insiders Q3 Survey**. These graphs reflect demographics for our corporate participants.

**Annual revenue** and **employee** bands were derived to segment participants with comparable organizations.

Gravity Research also evaluated participants by **industry**, level of **regulatory oversight**, and whether the company **primarily served consumers**, a business-to-consumer (B2C) company, **or businesses**, a business-to-business (B2B) company.



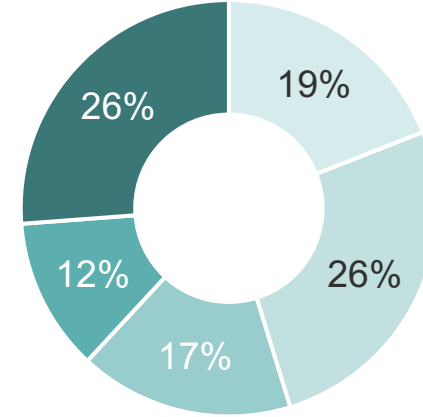
**Insiders by revenue**



■ <\$10B ■ \$10-25B ■ \$25-50B ■ \$50-100B ■ \$100B+



**Insiders by headcount**



■ <25K ■ 25-50K ■ 50-100K ■ 100-200K ■ 200K+

## Insider Demographics

**Industry Sectors:** Industries represented among Insiders are communication services, consumer discretionary, consumer staples, financials, health care, industrials, information technology, materials, and retail.

**Seniority:** Insiders reflect senior-most leaders within their organizations, including titles such as vice president, senior vice president, executive vice president, and c-suite leadership.

**Corporate Functions:** A variety of functional areas were represented by these executives, including communications, marketing, government affairs, public policy, external affairs, corporate social responsibility, sustainability, reputation, and risk management with some leaders holding responsibility in multiple areas.



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