

A low-angle photograph of a large, ornate building dome with a silver-colored metal roof and a green patina finial. The dome is set against a clear blue sky with light, wispy clouds. The building's facade is made of light-colored stone and features Gothic-style windows with intricate tracery and a balcony with a balustrade on the right side.

# Oxford-GlobeScan Global Corporate Affairs Survey

## 2021 Survey Report

# Contents

---



# 1. Introduction

---

Following our inaugural survey and report in 2020, the 2021 Oxford-GlobeScan Global Corporate Affairs Survey Report provides an updated overview of opinions, trends, and challenges through the lens of Corporate Affairs practitioners. This report captures the views and insights of 228 senior professionals who were surveyed in February and March of 2021 on issues and themes of relevance to the Corporate Affairs function.

The University of Oxford and GlobeScan formalised a partnership in 2019 to deliver enhanced insight into the roles, responsibilities, challenges, opportunities, and themes facing leading global Corporate Affairs professionals around the world. The primary purpose of the partnership is to generate valuable research findings for organisations, senior executives, and Corporate Affairs leaders through a regular 'pulse' of novel, timely, and data-driven insights about the evolution of the Corporate Affairs agenda.

Oxford University's Saïd Business School is home to the Corporate Affairs Academy ('the Academy'). Each year, the Academy invites leaders from the Corporate Affairs, corporate responsibility, corporate communications, community engagement, and investor relations functions of major corporations around the world to spend time discussing critical trends, themes, and insights of relevance to organisational stakeholder engagement. By way of example, over the last three years discussion threads have emerged around metrics and measurement, corporate activism and advocacy, and organisational purpose. In the first ten years since its founding in 2011, the Academy has hosted over 120 leading professionals from Asia, Australasia, China, Russia, Europe, the Middle East, Africa, Scandinavia, and the Americas. Each year the Academy publishes a

summary of its discussions in a white paper, copies of which are available through the Corporate Affairs Academy website.

GlobeScan, an insights and strategy firm, was established in 1987 and has offices in Cape Town, Hong Kong, London, Paris, San Francisco, São Paulo, and Toronto. The members of GlobeScan's team are recognised experts in purpose, reputation, and sustainability research, advising organisations on their stakeholder engagement strategies with the aim of helping clients become trusted leaders. In 2016, it launched a platform of research and engagement amongst leading Corporate Affairs directors, providing deep insight and expertise on the issues and trends affecting the Corporate Affairs and corporate communications functions globally.



## 2. Executive summary

---

The key findings of this year's survey are as follows:

- ESG performance has become the number one Corporate Affairs priority since last year's results, followed by pandemic management in a shift that emphasises more human concerns such as social inequality. Less urgency is placed on the broader, perhaps longer-term issues of macro-economic risks and regulation.
- The findings logically reflect that more time has been given to managing climate change risk, increasing internal communication efforts, and engaging with organisational reputation risk. All this is set against the backdrop of the physical fragmentation of workplaces and the rise of remote work in response to pandemic laws and guidance, and the importance of maintaining a sense of team and corporate culture and connection.
- Improving trust continues to be a significant driver of Corporate Affairs strategy, and this year the number of Corporate Affairs leaders who believe that stakeholders trust their companies to serve the best interests of society has increased dramatically from last year and is double what it was in 2016. This acknowledges the way in which companies have acted at pace and at scale in response to the COVID-19 pandemic.
- Employees ranked as the most important stakeholder for Corporate Affairs leaders this year. Shareholders and Government ranked second and third – prioritisations that reflect the nature of a year dominated by COVID-19 concerns.
- Corporate purpose is similarly an area of organisational concern that is receiving ever greater attention and study. This year, many more companies have articulated purpose statements and say that it has a growing influence on decision making, but when it comes to the actual impact of purpose on organisations, the results reveal some clear areas of concern. Strong stewardship from leadership has fallen away and only a small number of companies believe that their employees understand how what they do helps to deliver on the company's purpose. The hard work is just beginning when it comes to ensuring that not only is purpose grounded in fact, but that it is a meaningful catalyst each day and for all stakeholders.
- Corporate Affairs leaders believe that, in global terms, the function has a positive impact on creating and protecting business value, but there is less certainty around this belief when examining the impact within their own organisations. This gap between conceptual aspiration and the reality of execution has not changed since last year.
- The survey did identify five areas where Corporate Affairs can focus in order to address this disconnect:
  1. Foresight – using predictive data and trends
  2. Continuous upskilling and talent acquisition
  3. Articulate and deliver value of the function into the business
  4. Proactive stakeholder engagement
  5. Adopting latest technology
- Overall, in terms of the leadership role of the Corporate Affairs function, the results this year revealed that when a crisis occurs the function is often tasked with a leadership or rallying role, but steps back to a degree once the crisis has been averted and a more normalised setting returns. At the onset of the COVID-19 crisis the function was core to organisational response, but this has dissipated somewhat 12 months later. Nevertheless, during the pandemic, the function has shown an ability to think and act at pace, to flex its attention to prioritised stakeholders – most importantly the internal audience – and to understand the importance of developing more business value-targeted methods of evaluation.

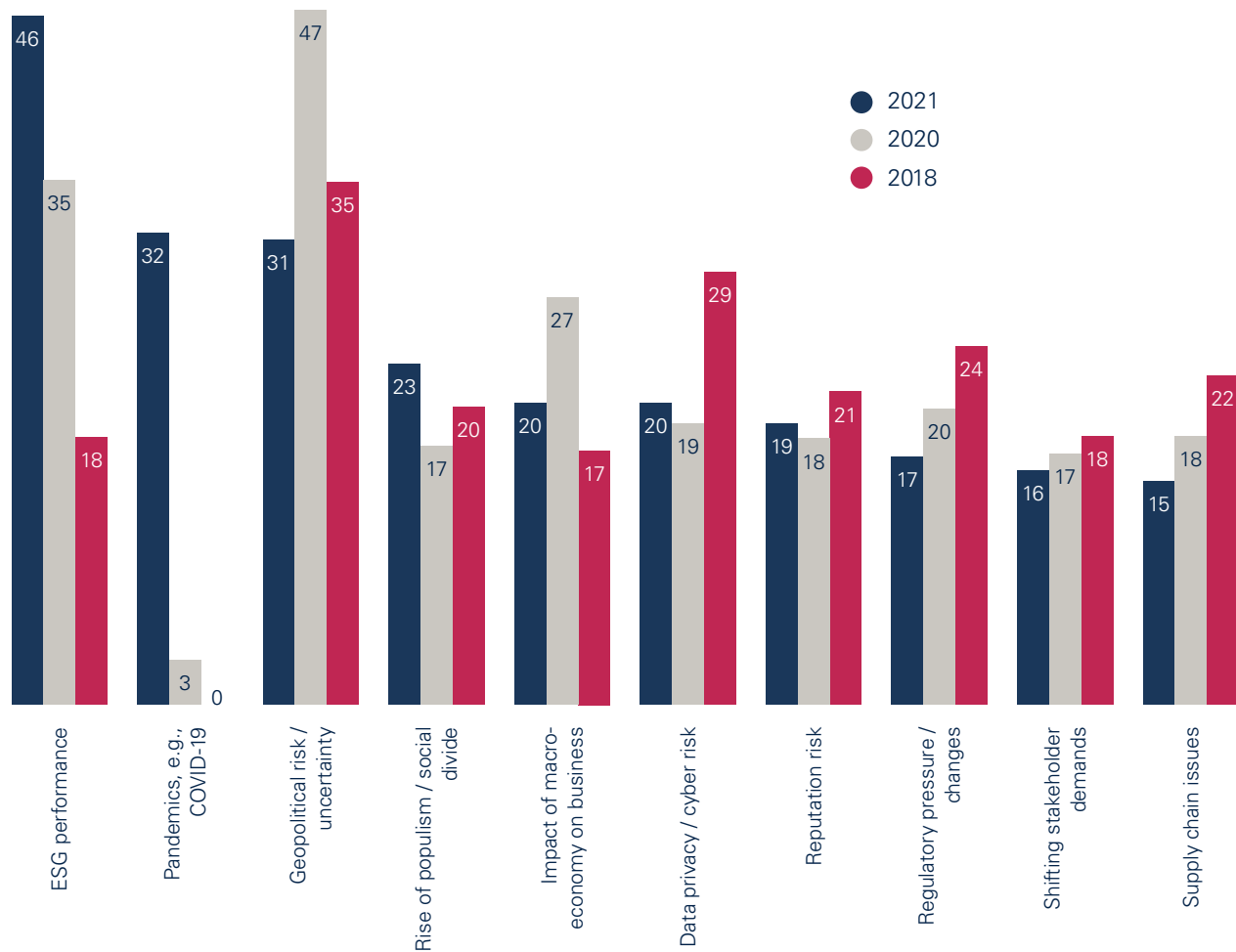
### 3. Today's most pressing global risks

To set the scene for this year's analysis, respondents were first asked for their views on the most pressing risks that businesses are likely to face globally over the next two years. Of the 20 thematic areas listed, the top

three critical risks cited are ESG performance (46%), pandemic responses (32%), and geopolitical risk (31%). A full breakdown can be seen in *Figure 1*.

**Figure 1**

Tracking the top 10 risks – Delivering on ESG performance and response to COVID-19 top the list



Q1.1 Selecting from the list below, in which areas do you see the most pressing risks to global businesses over the next two years? Respondents were asked to select the top three pressing risks. Total mentions: 2021  $n=228$ , 2020  $n=202$ , 2018  $n=103$

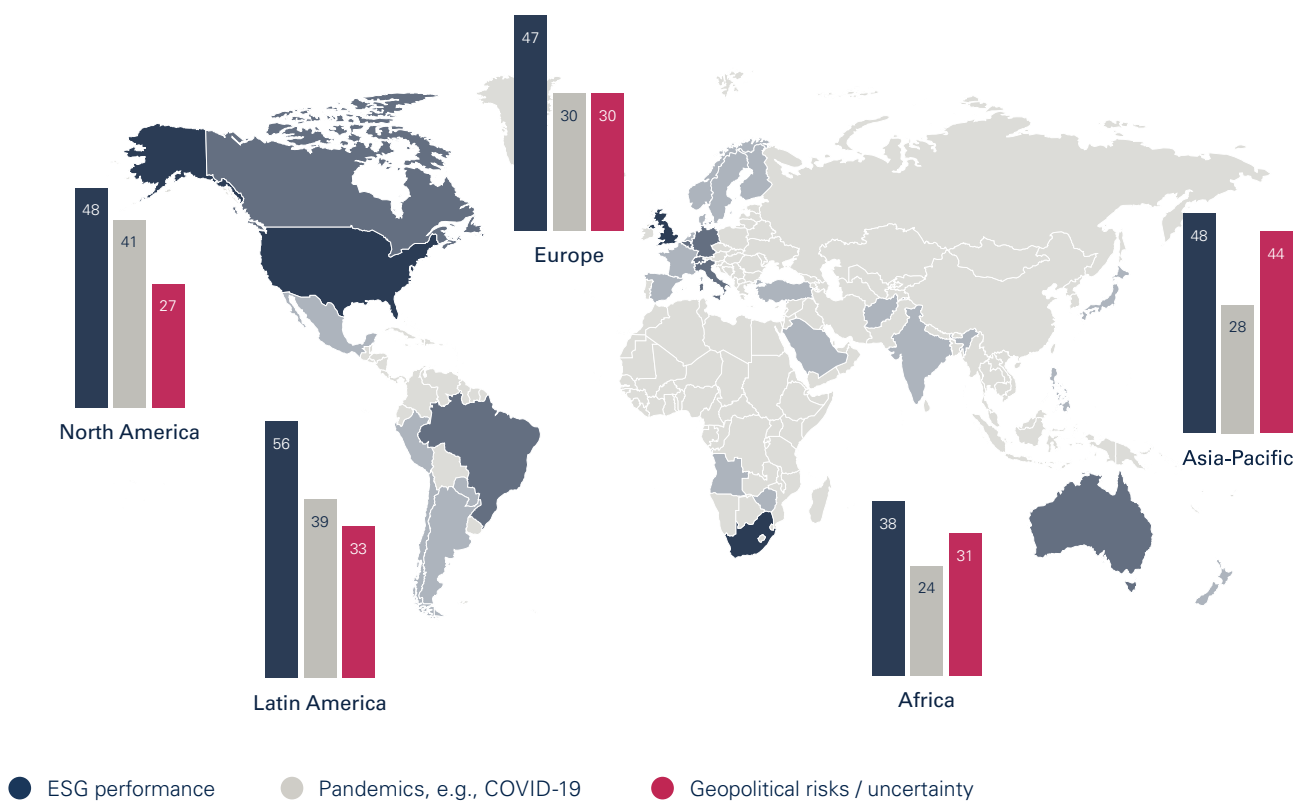
© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

While ESG performance has become the number one priority this year, a move which we will unpack in due course, it is the unsurprising arrival of pandemic management (up from 17th to 2nd since 2020) that has shifted the atmospheric emphasis toward more human concerns such as social inequality and away from the broader, perhaps longer-term issues of macro-economic risks and regulation.

When viewed regionally, the order of these top three concerns is reflected in responses from Europe and the Americas but shifts in both Africa and Asia-Pacific where ESG is followed by geopolitical risk (31% and 44%, respectively), perhaps reflecting China's sphere of influence, ahead of concern around pandemics (24% and 28%, respectively). Unique to Africa, regulatory pressures (28%) rate slightly higher than pandemics.

**Figure 2**

Top 3 Most pressing risks to global business | Regional variance



Q1.1 Selecting from the list below, in which areas do you see the most pressing risks to global businesses over the next two years?

Respondents were asked to select the top three pressing risks. Total mentions: 2021  $n=228$

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

In sectoral terms, the highest levels of concern relating to ESG performance are seen in energy, extractives, and manufacturing (50%) and food, agriculture and forestry (49%) as these industries review their business strategies to take account of greater social scrutiny.

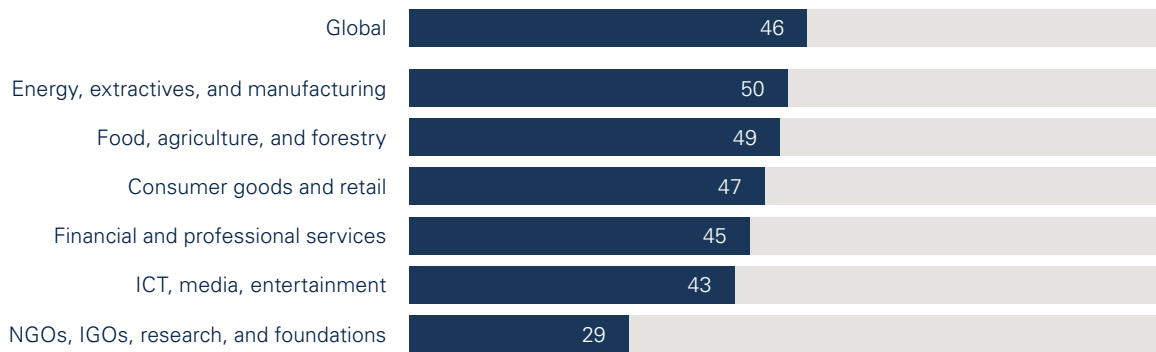
Pandemic concerns are the most visible in the ICT, media and entertainment sector (39%), followed by the

energy, extractives, and manufacturing sector and the food, agriculture, and forestry sectors.

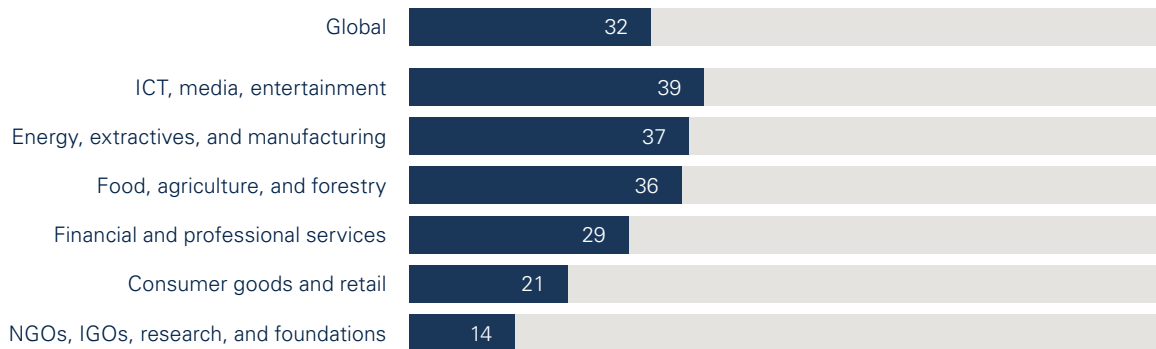
When it comes to geopolitical risks and uncertainty, it is no surprise that the NGO, research, IGO, and foundation sector view this as their most pressing issue (57%), but the consumer goods and retail sector is also concerned (38%) as trade flows are adjusted and renegotiated.

**Figure 3**

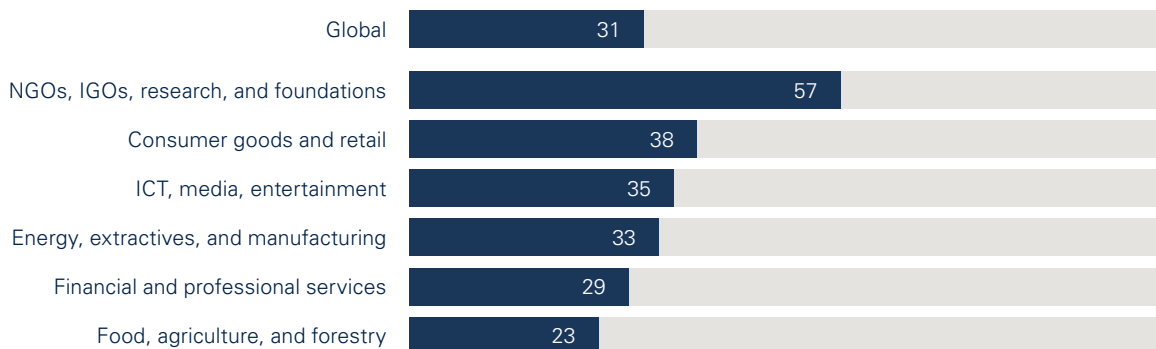
Percentage rating ESG performance as a risk across sectors

**Figure 4**

Rating pandemics and COVID-19 as a risk across sectors

**Figure 5**

Percentage rating geopolitical risk and uncertainty as a risk across sectors



Q1.1 Selecting from the list below, in which areas do you see the most pressing risks to global businesses over the next two years?  
 Respondents were asked to select the top three pressing risks. Total mentions: 2021 *n*=228, 2020 *n*=202, 2018 *n*=103

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

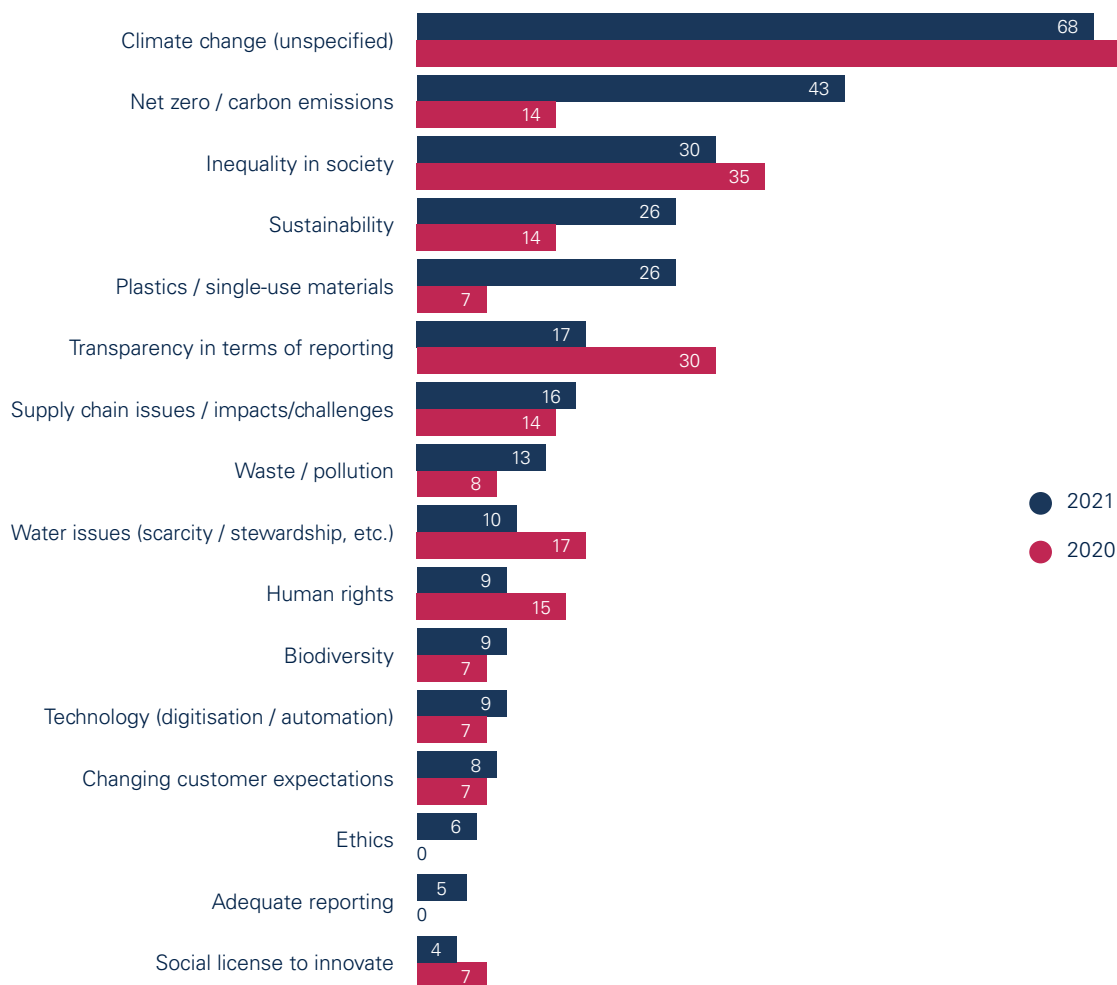
## Unpacking ESG performance responses

As indicated in last year's survey and above, addressing ESG issues is now firmly established as an Executive and Board priority, and this year's analysis puts it firmly at the top of concerns to be addressed by the

Corporate Affairs function. Delving deeper, the top three components of ESG this year are climate change (68%), net zero / carbon emissions (43%), and social inequality (30%).

**Figure 6**

Unpacking ESG risks further – Climate change, net zero challenge, and inequality dominate



Q1.2 Which ESG issue is the most pressing risk? Note: only those respondents selecting ESG risks in Q1.1 answered this question using a pre-coded list based on the open-ended response in the 2020 survey

Base: Respondents mentioning ESG as a pressing risk (Q.1.1). Total mentions: 2021  $n=105$ , Unprompted in 2020  $n=71$

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

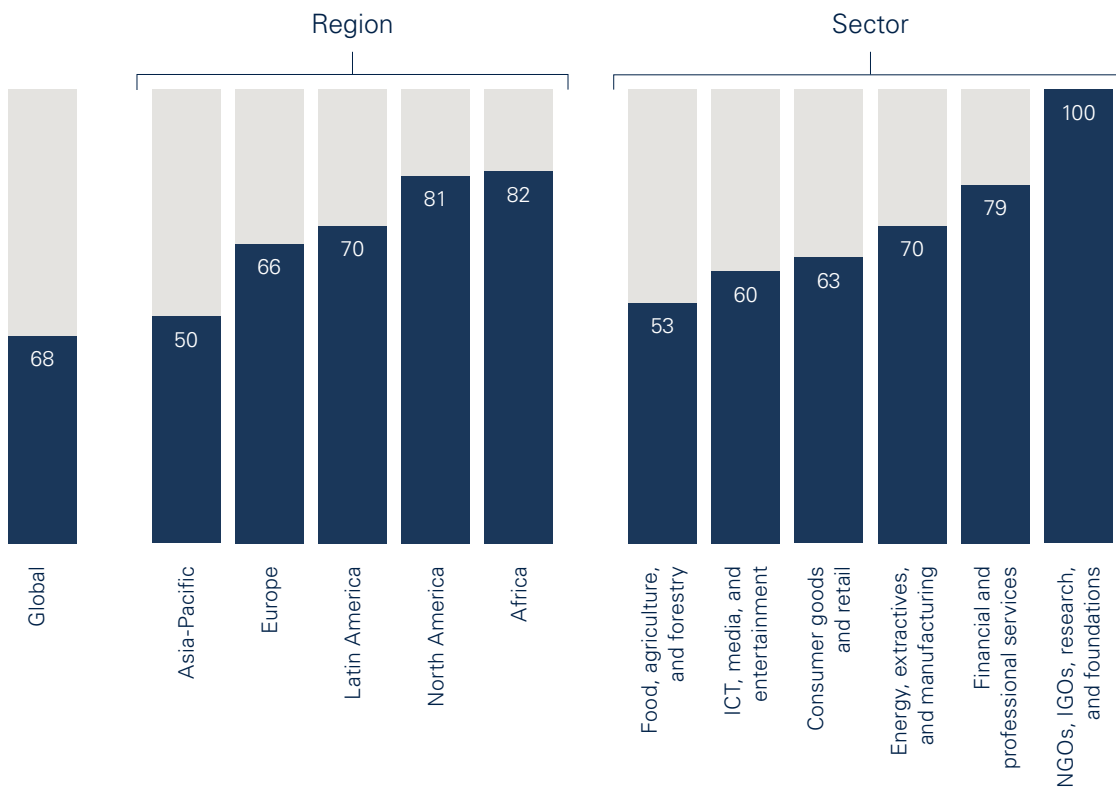
Although showing a slight decline compared to last year, climate change remains the most significant component risk according to 68 percent of respondents, with Africa (82%) and North America (81%) exhibiting the greatest levels of concern. Asia-Pacific rates climate change

much lower, with 50 percent of respondents naming it as the greatest risk. From a sector perspective, NGOs, research, IGOs, and foundations is unanimous about its importance (100%) and financial and professional services also rate it highly (79%) as a risk.



**Figure 7**

Percentage rating climate change as a risk across sector and region



Q1.2 Which ESG issue is the most pressing risk? Note: only those respondents selecting ESG risks in Q1.1 answered this question using a pre-coded list based on the open-ended response in the 2020 survey

Base: Respondents mentioning ESG as a pressing risk (Q.1.1). Total mentions: 2021  $n=105$ , Unprompted in 2020  $n=71$

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

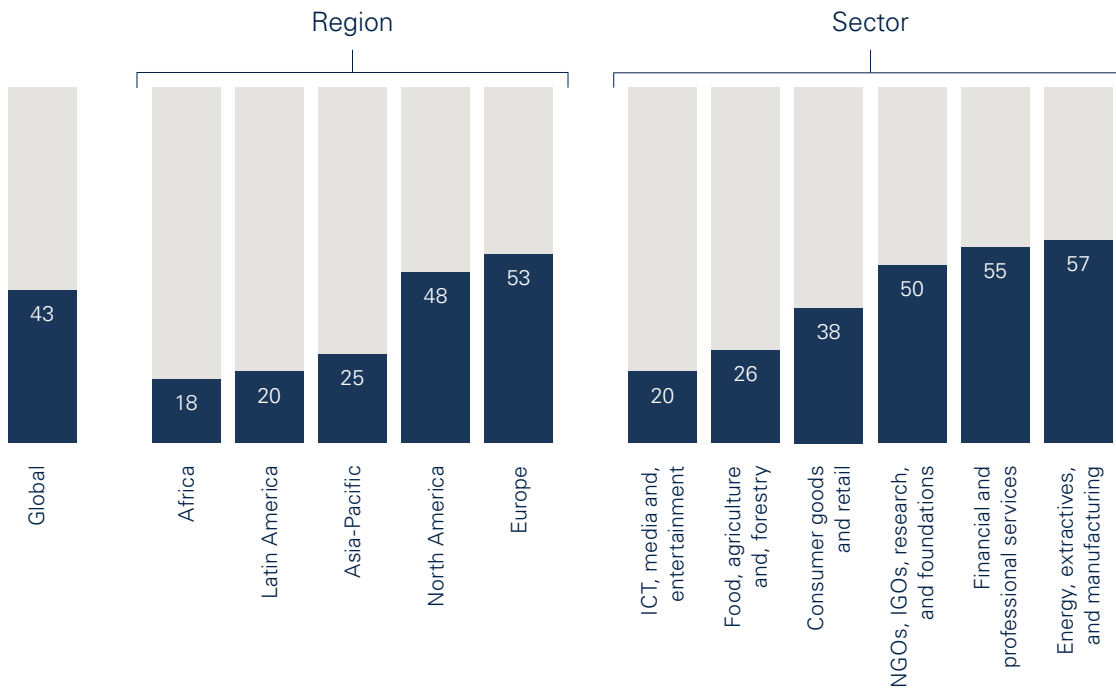
But what is really striking is the dramatic leap in those viewing net zero / carbon emissions as a critical issue, which has increased from 14 percent in last year's survey to 43 percent this year. See Figure 6. This no doubt reflects a move to apply some specificity to actions under what has become a very broad descriptor. The COP 26 meeting in Glasgow later this year will likely bring this into even sharper focus. While Africa displays the highest level of concern about climate change, it conversely reports the least amount of concern on net zero (18%), with North America the highest (48%). The energy, extractives, and manufacturing sector as well as the financial and professional services sector are the most concerned (57% and 55%, respectively), with ICT, media, and entertainment the least concerned sector (20%).

The third most-cited risk under the ESG heading is inequality in society (30%). This is seen especially in the consumer goods and retail sector (50%) and among North American companies (48%) and is much higher than their European counterparts (19%). The combination of pandemic challenges and the Black Lives Matter conversation in the US have exposed inequality issues more starkly than in other markets around the world.

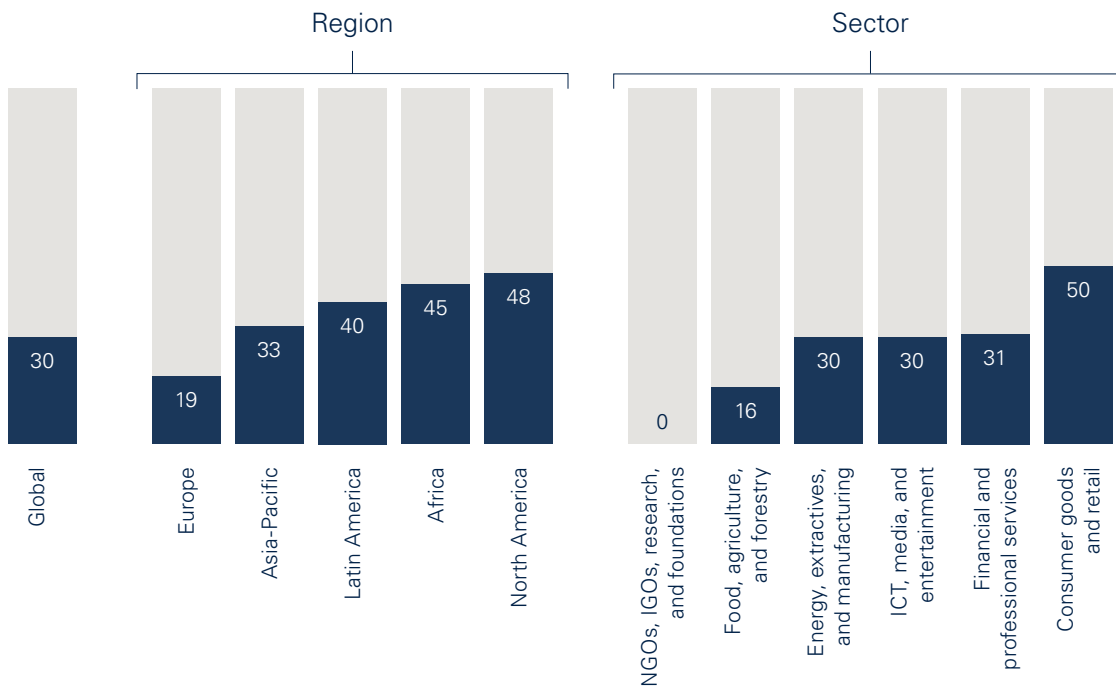
A component of ESG that makes its first appearance, albeit at a low level, is that of ethics (6%) as companies begin to consider the wider ramifications of actions taken to address carbon emissions on communities and wider society, something of particular concern in Latin America (20%).

**Figure 8**

Percentage rating net zero (carbon emissions) challenge as a risk across sector and region

**Figure 9**

Percentage rating inequalities in society as a risk across sector and region



Q1.2 Which ESG issue is the most pressing risk? Note: only those respondents selecting ESG risks in Q1.1 answered this question using a pre-coded list based on the open-ended response in the 2020 survey

Base: Respondents mentioning ESG as a pressing risk (Q.1.1). Total mentions: 2021  $n=105$ , Unprompted in 2020  $n=71$

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

## 4. Priorities of the Corporate Affairs function

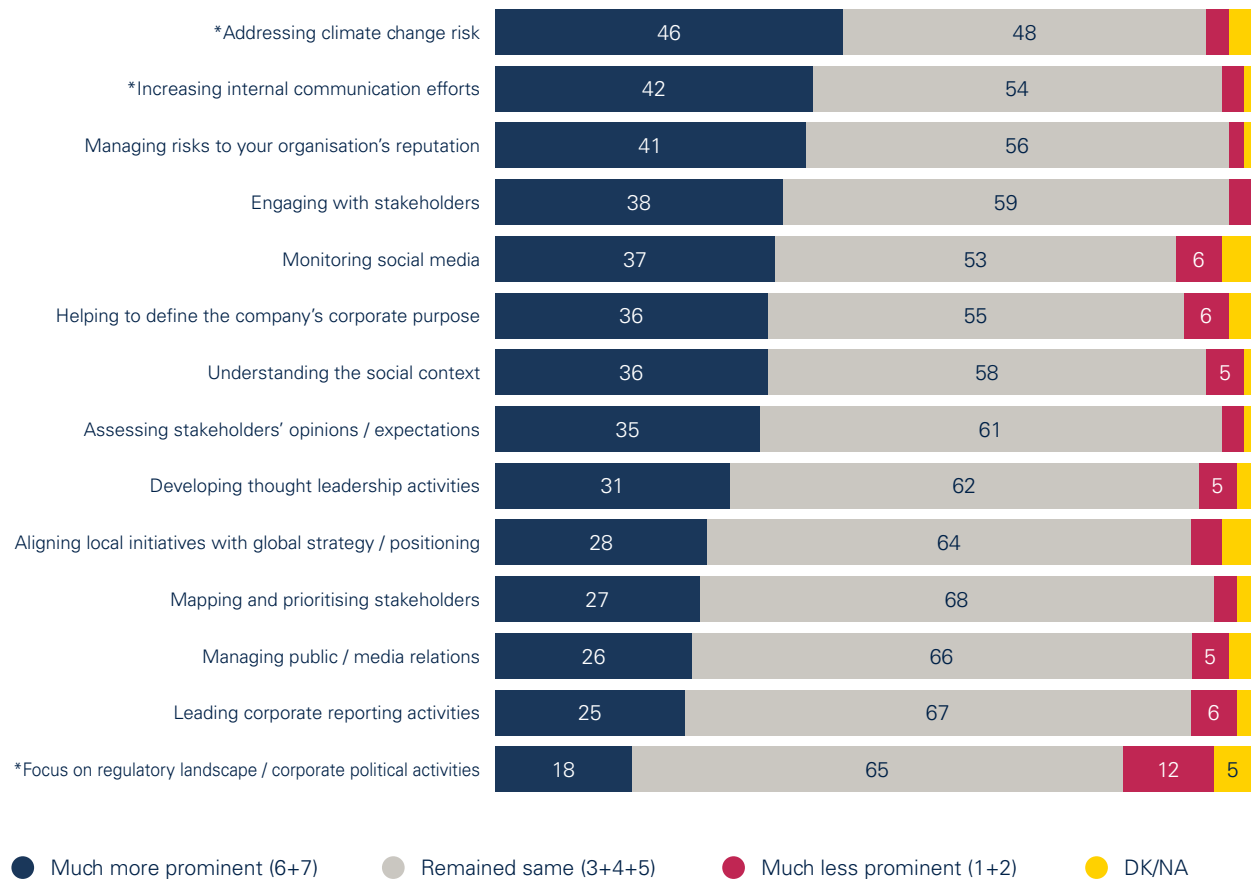
### 4.1 Functional priorities

Against the combined backdrop of climate change, the COVID-19 pandemic, and geopolitical pressure, the survey looked at where the function has been spending time over the last 12 months and which areas have grown in prominence. The findings logically

reflect that more time has been given to managing climate change risk (46%), increasing internal communication efforts (42%), and engaging with organisational reputation risk (41%).

**Figure 10**

Compared to three years ago, increased time is spent on addressing climate change risk and on internal communication efforts



Q11. In thinking of each of the following activities that may be part of your professional responsibilities, would you say that they have become a more or less prominent part of your role compared with three years ago? \*New in 2021.

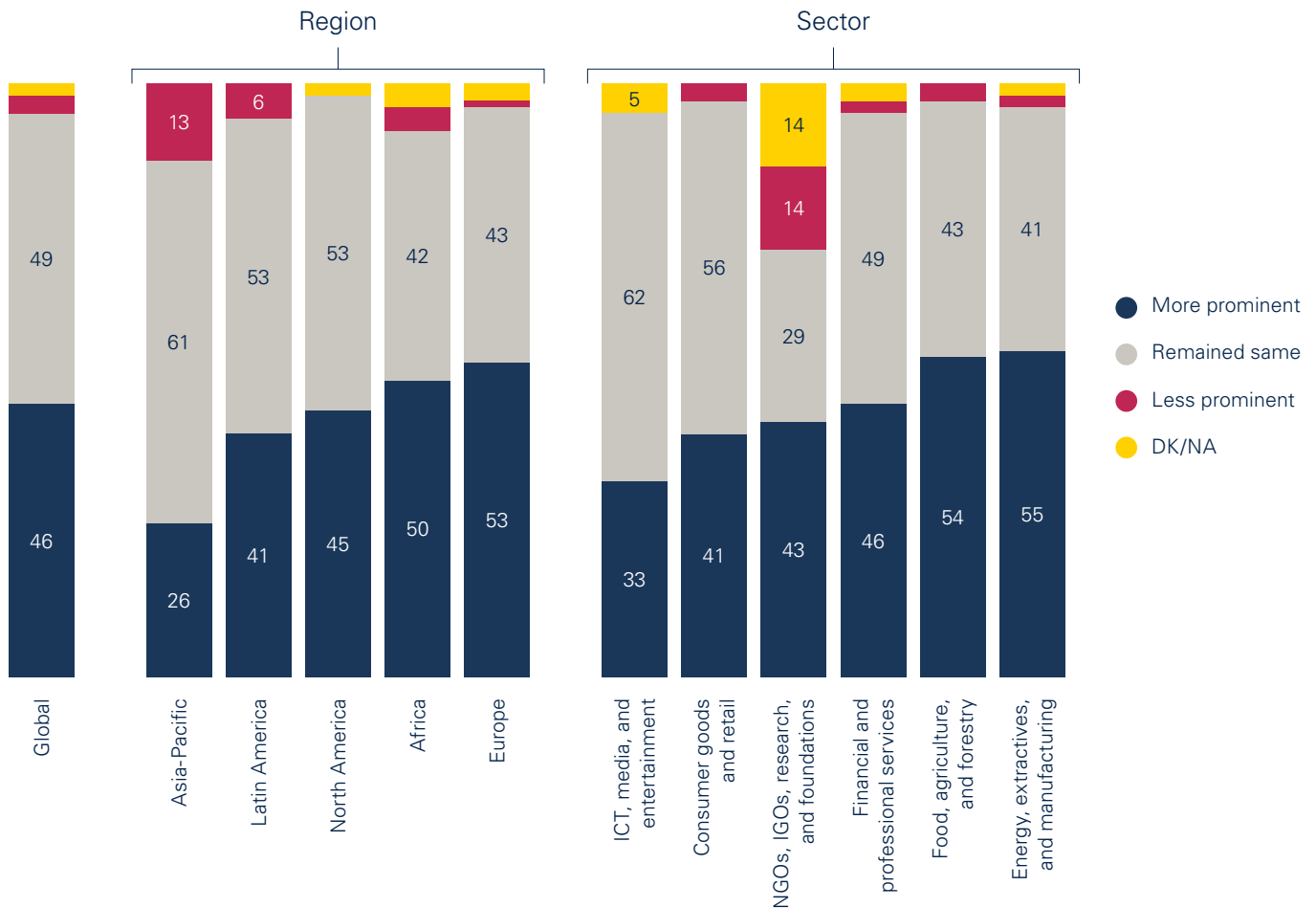
© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

Addressing climate change is a priority seen almost equally across all regions, with the exception of Asia-Pacific where this was rated much lower (26%) and

was most prevalent globally in the energy, extractives, and manufacturing sector (55%).

**Figure 11**

Percentage mentioning a greater prominence of climate change as a priority across sector and region



Q11. In thinking of each of the following activities that may be part of your professional responsibilities, would you say that they have become a more or less prominent part of your role compared with three years ago? \*New in 2021.

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

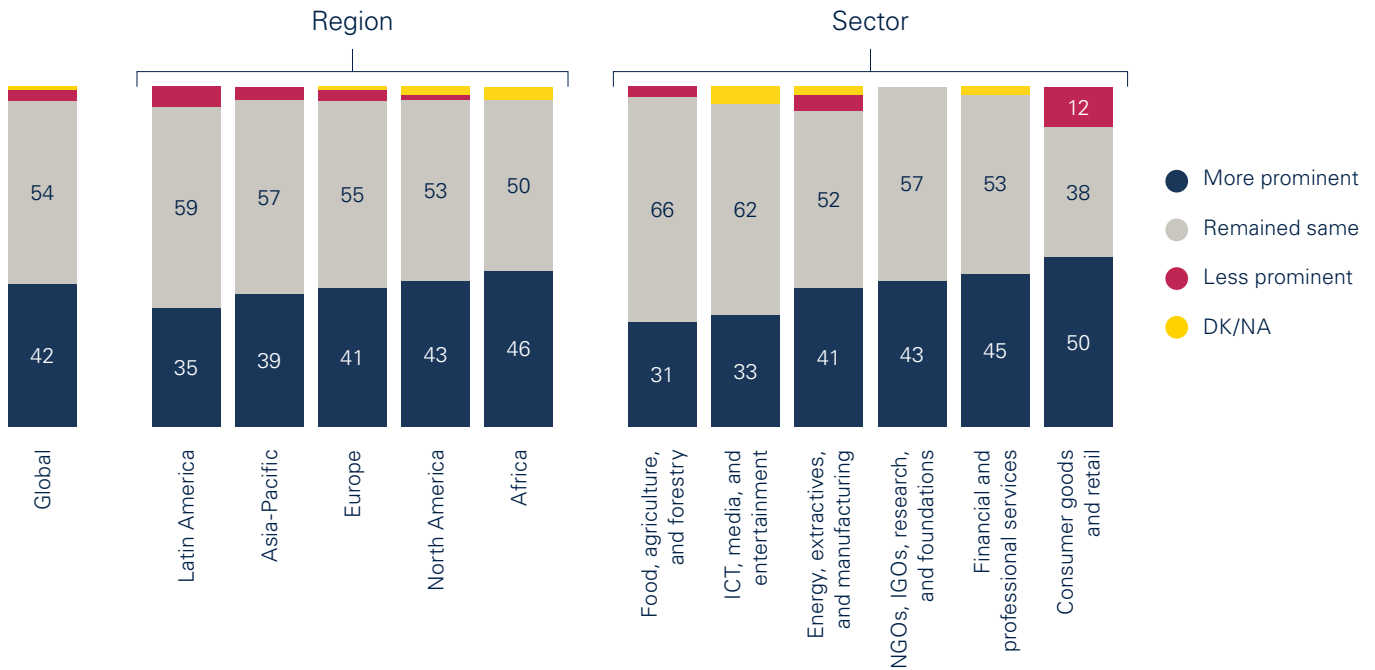
The physical fragmentation of workplaces and the rise of remote work in response to pandemic laws and guidance led to even more time being spent in preparing and executing internal communications activities aimed at maintaining a sense of team and corporate culture and connection. It therefore came as no surprise that improved and increased internal communication is mentioned as the second most important priority. This was reflected equally around the globe and evenly across sectors at around

40 percent, although consumer goods and retail showed a slightly higher emphasis (50%) on greater internal communication as a priority (see Figure 12).

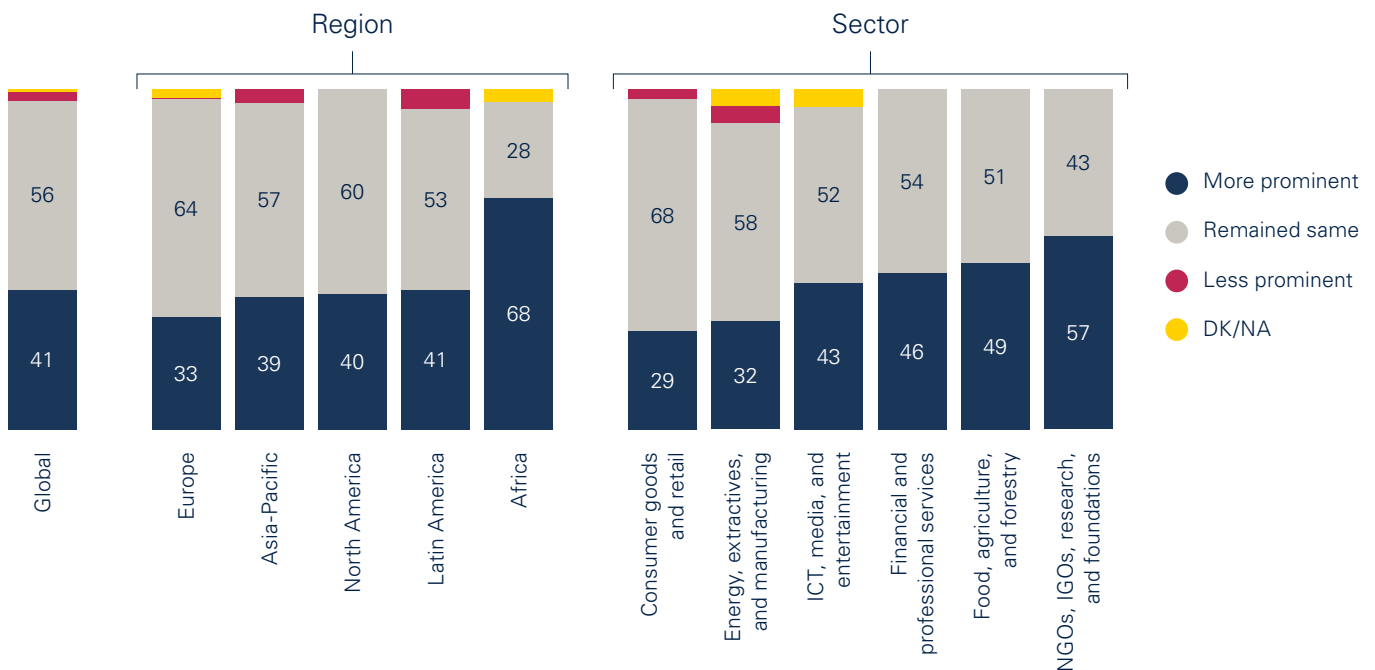
As the third-highest priority, managing reputational risk, receive most attention from Corporate Affairs leaders in Africa (68%), while the sector that focuses the most on this is NGOs, research, IGOs, and foundations (57%).

**Figure 12**

Percentage mentioning a greater prominence of increased internal communication efforts as a priority across sector and region

**Figure 13**

Percentage mentioning a greater prominence of managing reputational risk as a priority across sector and region



Q11. In thinking of each of the following activities that may be part of your professional responsibilities, would you say that they have become a more or less prominent part of your role compared with three years ago? \*New in 2021.

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021



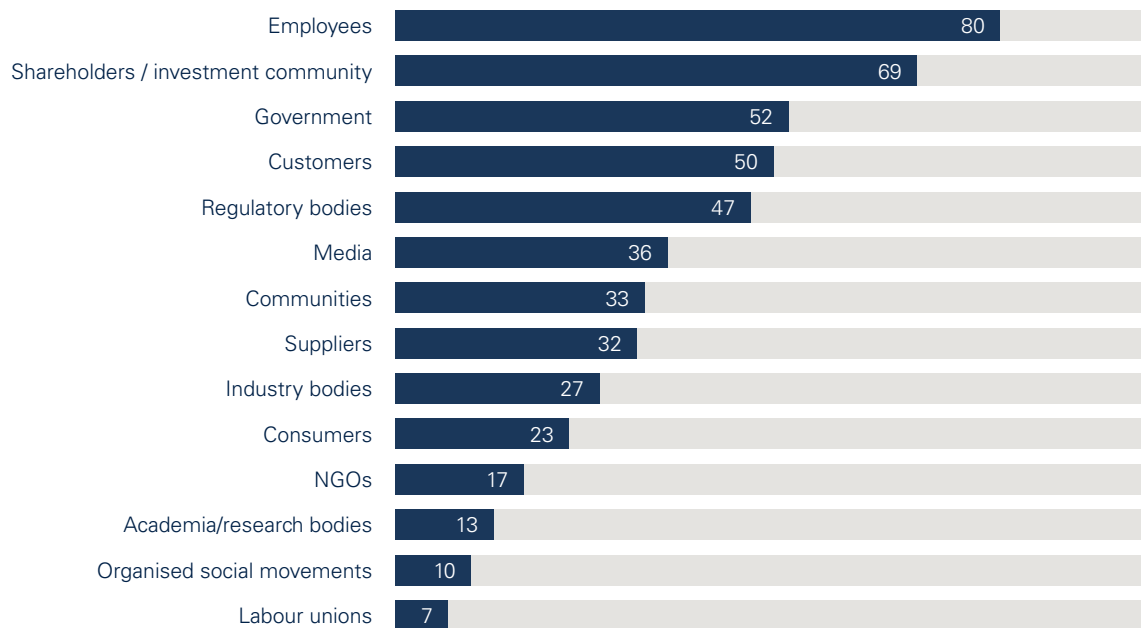
## 4.2 Stakeholder priorities

The prioritisation of stakeholder groups is often a vexed subject, so for the first time, respondents were asked to rank the universe of stakeholders in terms of importance to their own organisations, offering another

perspective on the areas of functional emphasis. The results show that employees and shareholders dominate the rankings, with government a distant third.

**Figure 14**

Employees and shareholders are higher in the general hierarchy of the stakeholder ecosystem



Q10. Considering the full stakeholder ecosystem, a key challenge is often to prioritise stakeholder group. While we realise that such a prioritisation is fluid and driven by circumstance and issue, we would like to ask you to share your general hierarchy of stakeholder groups. Please select the top five stakeholder groups for your organisation in order of importance.

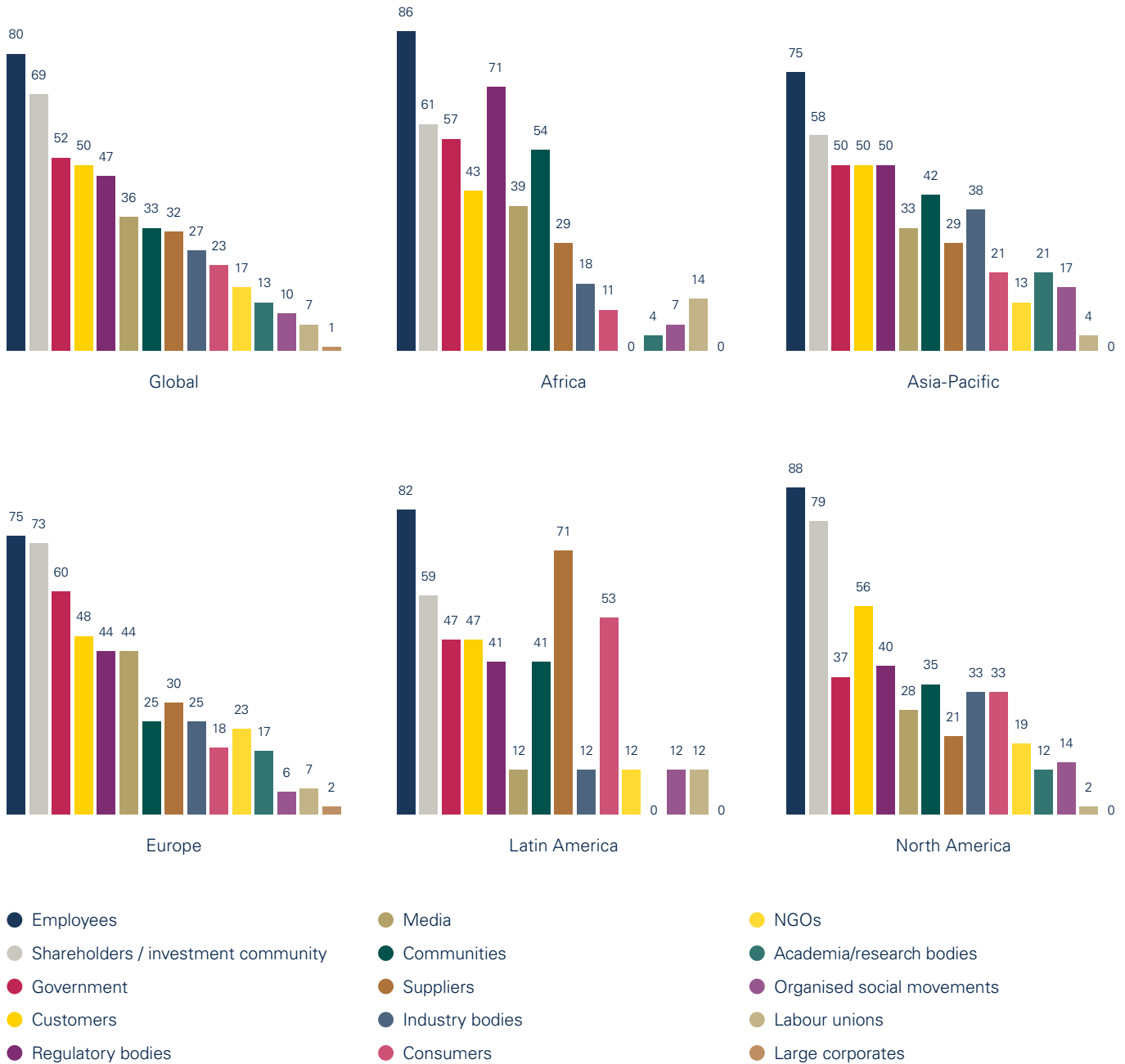
© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

Reflecting the functional priorities mentioned earlier, the most important stakeholders by some distance are employees (80%), with every region placing employees at the top of their list as the most important stakeholder group. Especially in the consumer goods and retail sector (94%) and the ICT, media, and entertainment sector (91%) employees are ranked very high. While still top of their list, the food, agriculture, and forestry sector rated them the lowest at 69 percent. Overall, this trend is still reflective of the highest priority of employees as all companies grapple with the issue of engaging and mobilising remote teams.

The pandemic has highlighted the human side of business, with companies making greater efforts to not only connect with their people but to see them as individuals. Everyone from senior management to junior employees has been affected similarly and it is no surprise that research elsewhere is showing that employee engagement during the crisis was at an all-time high as a result.

**Figure 15**

Relative prominence of stakeholder groups – regional variances



Q10. Considering the full stakeholder ecosystem, a key challenge is often to prioritise stakeholder group. While we realise that such a prioritisation is fluid and driven by circumstance and issue, we would like to ask you to share your general hierarchy of stakeholder groups. Please select the top five stakeholder groups for your organisation in order of importance.

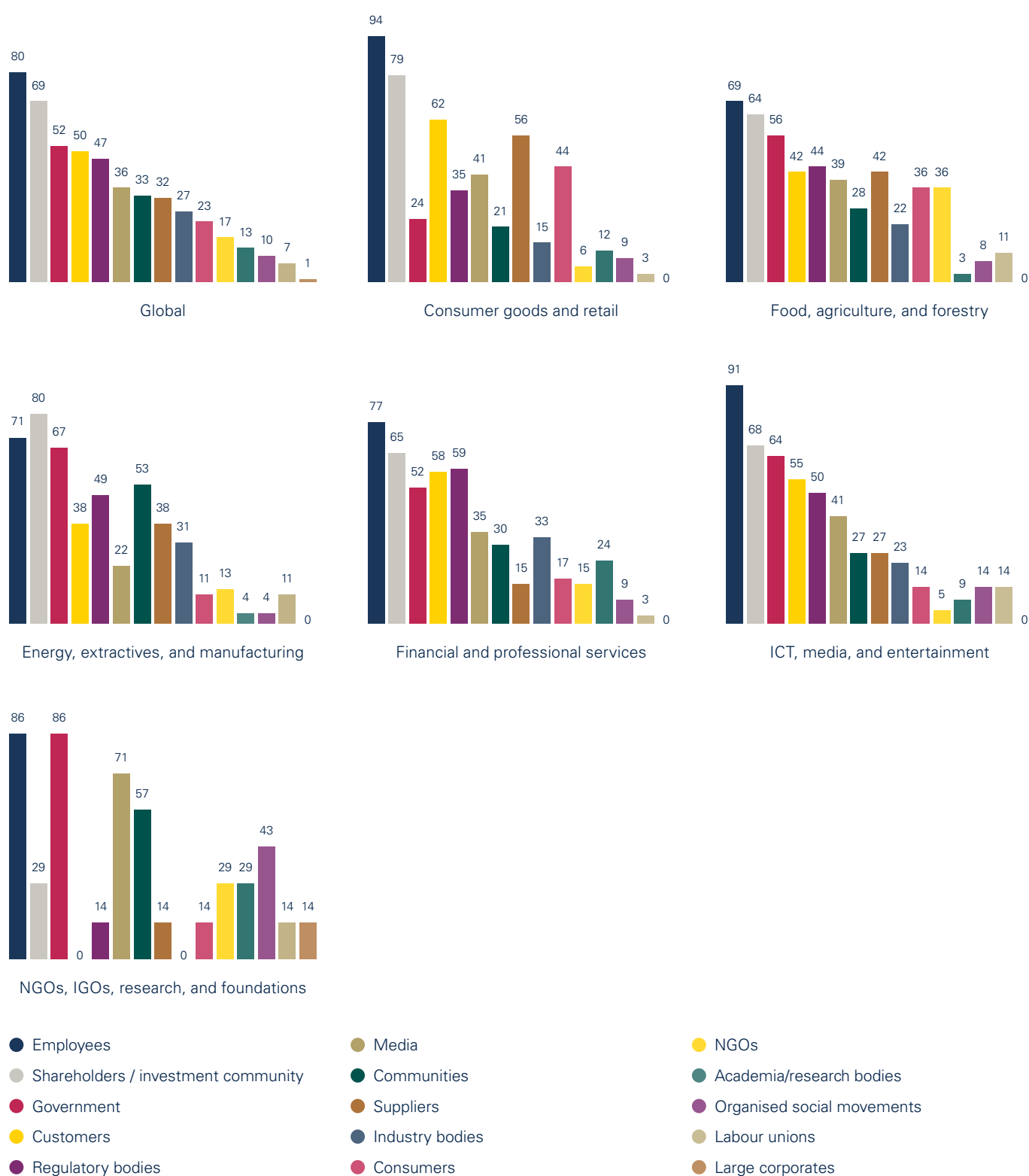
© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

Lagging by some margin, shareholders and the wider investment community are the second-most cited priority at 69 percent and are seen the most in North America (79%) and Europe (73%) and in the

energy, extractives, and manufacturing sector (80%) as reassurance during a period of significant volatility weighed on investors' minds.

**Figure 16**

Relative importance of stakeholder groups – clear variance across sectors



Q10. Considering the full stakeholder ecosystem, a key challenge is often to prioritise stakeholder group. While we realise that such a prioritisation is fluid and driven by circumstance and issue, we would like to ask you to share your general hierarchy of stakeholder groups. Please select the top five stakeholder groups for your organisation in order of importance.

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

The third priority stakeholder group is that of government (52%). Companies in Europe (60%) and Africa (57%) predominate as do those in the energy, extractives, and manufacturing sector (67%) and the ICT, media, and entertainment sector (64%).

Beyond these top three, customers (50%) and regulatory bodies (47%) follow, driven by consumer

goods and retail and financial and professional services companies, respectively. Organised social movements are likely to be a higher priority in future surveys, and while currently seen as a lower priority (10%), this group is cited by 43 percent of NGO, research, IGOs, and foundations respondents.

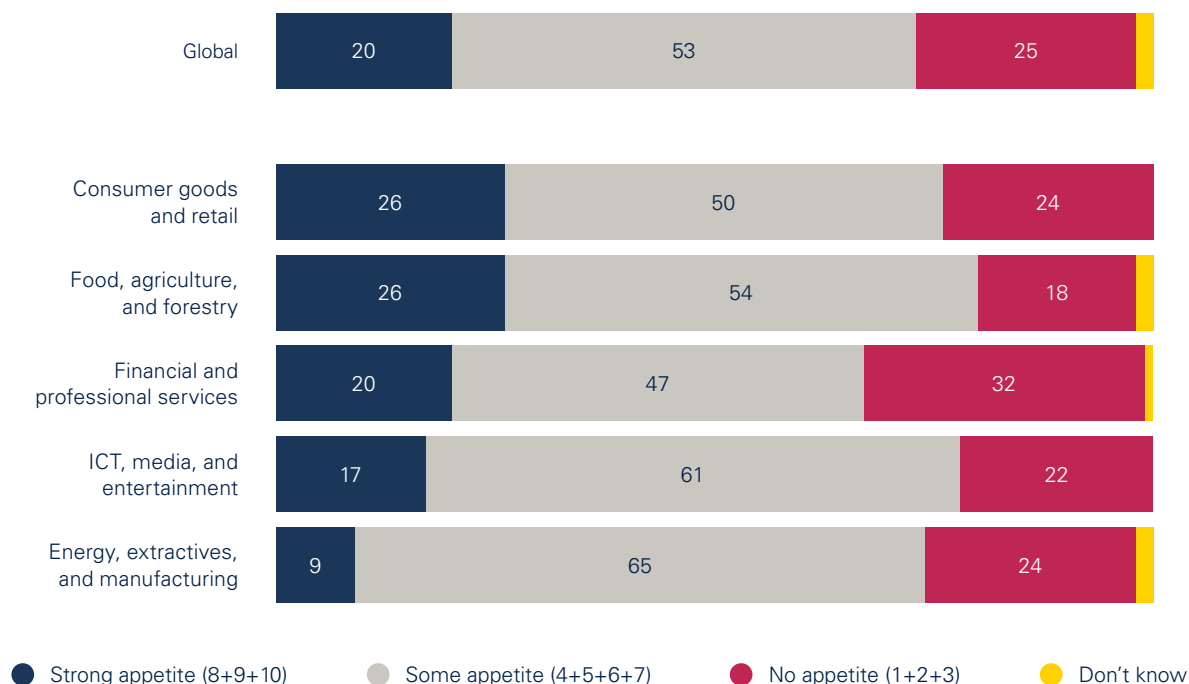
### 4.3 Stakeholder priorities

In terms of whether the myriad of pressures placed on companies in every region and every sector to engage proactively with their reputations and stakeholders is leading to a more activist approach, around 40 percent of respondents believe that companies have a role to play in taking a public position on issues and

advocating for them. And when asked about their own organisations, the survey showed that 20 percent of companies profess a strong appetite to take a more activist stance, while a further 53 percent say that they have some appetite.

**Figure 17**

Appetite for corporate activism across sectors



Q2.3 On a scale of 1 to 10, how would you describe your organisation's appetite for corporate activism where 1 is no appetite at all and 10 is a strong appetite to participate in corporate activism?

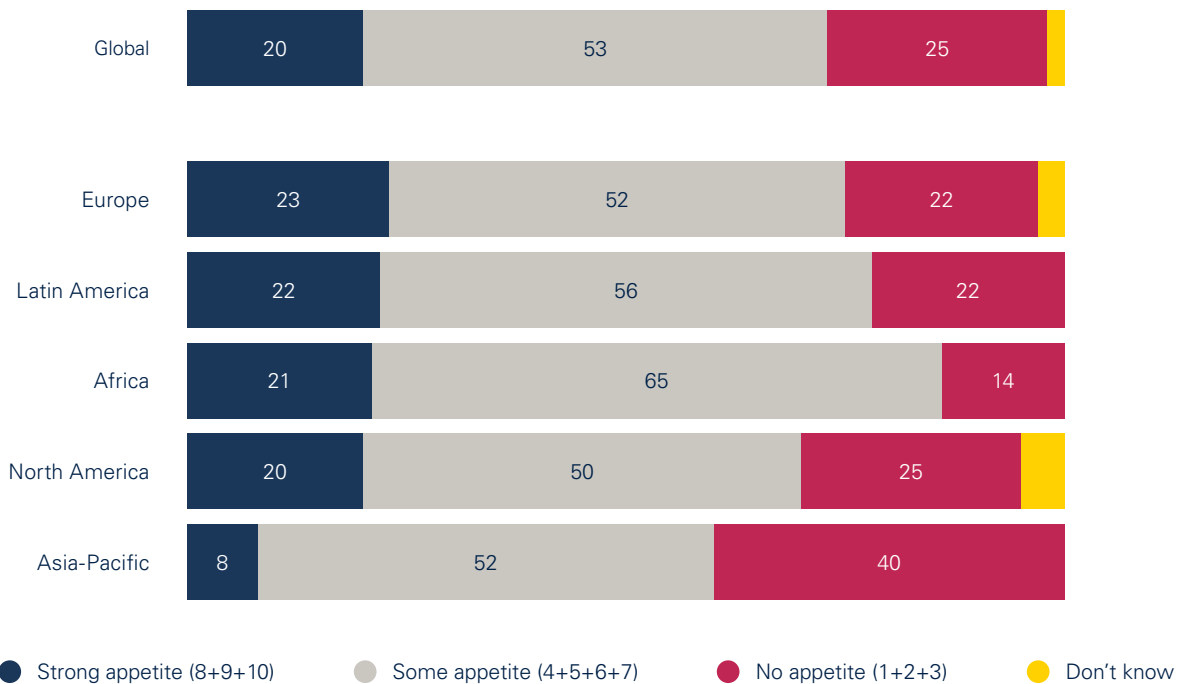
© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

Regionally, there is a stronger appetite for corporate activism in Europe (23%) and Latin America (22%), with the weakest appetite seen in Asia-Pacific (8%).

The energy, extractives, and manufacturing sector in particular shows very little appetite for corporate activism (9%).

**Figure 18**

Appetite for corporate activism across regions



Q2.3 On a scale of 1 to 10, how would you describe your organisation's appetite for corporate activism where 1 is no appetite at all and 10 is a strong appetite to participate in corporate activism?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021



## 5. Trust expectations on the rise

The degree to which stakeholders trust a company is a significant driver of behaviour and a critical datapoint for Corporate Affairs strategy. This year's survey is an opportunity to judge how that has changed over the last 12 months of the pandemic.

Other larger surveys on this topic abound, but what is distinct about the Oxford-GlobeScan analysis is that it looks more broadly at whether companies are trusted

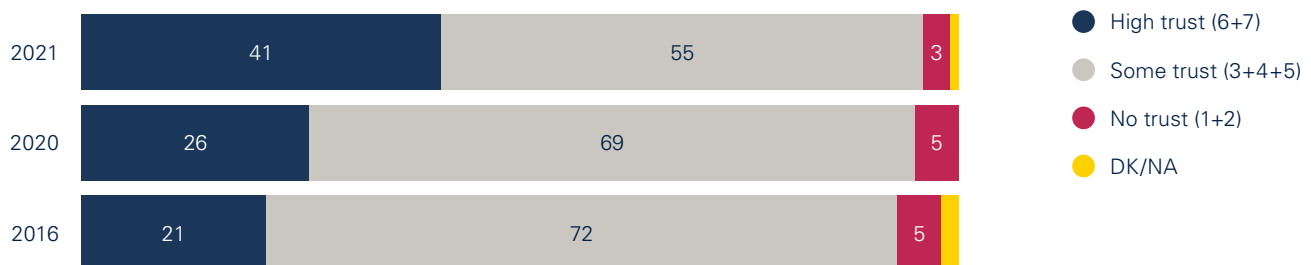
to operate in the best interests of society and the respondents are exclusively from predominantly large global companies.

Generally, popular opinion holds that multinational companies are faced with a lack of trust, but the results of both this year's and last's surveys and those conducted separately by GlobeScan in the preceding three years show a different picture.

**Figure 19**

Corporate Affairs leaders believe that trust in their companies to serve the best interests of society is moving in the right direction

Perceived Level of Trust Stakeholders Have in Company, 2016–2021



Q5. Public opinion research shows that multinational companies face a lack of trust. Overall, how much do you think your stakeholders trust your company to operate in the best interests of society today?

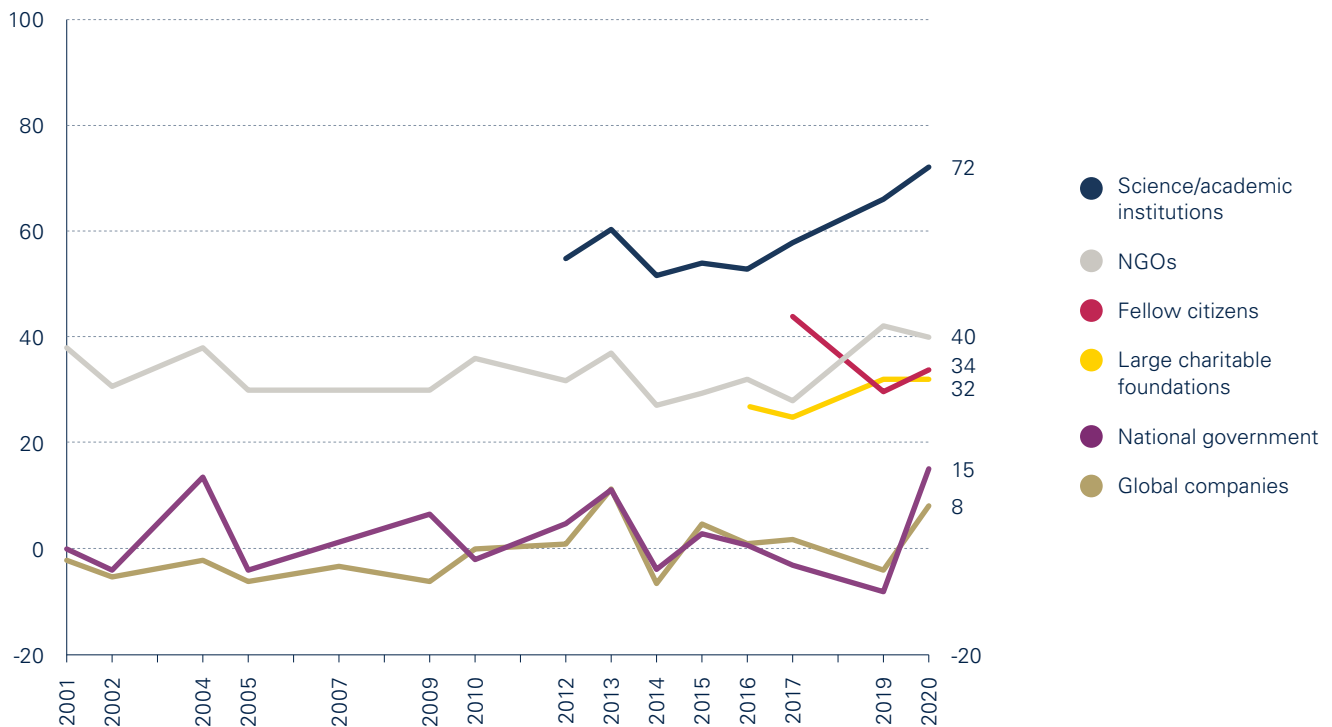
© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

This year, 41 percent of Corporate Affairs leaders believe that stakeholders trust their companies to serve the best interests of society, a figure that has increased dramatically since last year (26%) and is now almost double what it was in 2016 (21%). This acknowledges the way in which companies have acted at pace and at scale in response to the COVID-19 pandemic. This figure is highest in Europe (48%) and in the consumer goods and retail sector (50%) while at the other extreme, the energy, extractives, and manufacturing sector reports a much lower level of high trust (20%).

Despite this significant increase in perceived trust, the broader context shows that companies remain well behind that of other institutions. GlobeScan's 2020 Radar public opinion survey shows that the most trusted are science and academic institutions (72%), followed by NGOs (40%), large charitable foundations (32%), and even government, albeit at a much lower level of perceived trust (15%).

**Figure 20****Tracking trust in institutions**

GlobeScan Radar 2020 Survey, Trust in Institutions, Net Trust,\* Average of 17 Countries (n=17,000),\*\* 2001–2020



\*A lot of trust' and 'Some trust' minus 'Not much trust' and 'No trust at all'

\*\*Includes Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Kenya, Mexico, Nigeria, Russia, South Korea, Spain, Turkey, UK, and USA. Not all countries were asked in all years. Before 2019 this question was asked using an in-person and telephone methodology.

T3. Please indicate how much you trust each of the following institutions to operate in the best interest of our society. Would you say you have a lot of trust, some trust, not much trust, or no trust at all in...?

Companies appear to be more trusted than they were in the past, and it will be interesting to see how responses on this metric evolve as the impacts of the pandemic begin to wane. But what is driving trust in large global companies?

The top drivers are integrity and honesty (59%), effective stakeholder relationships (52%), and committed and influential CEO leadership (49%). These are all elements that speak to the character of an organisation as was the case last year.

The integrity and honesty category driver is equally weighted across every geographic region, and stakeholder relationships are particularly important in Europe (60%). This driver is important in the NGO, research, IGOs, and foundations sector and in the

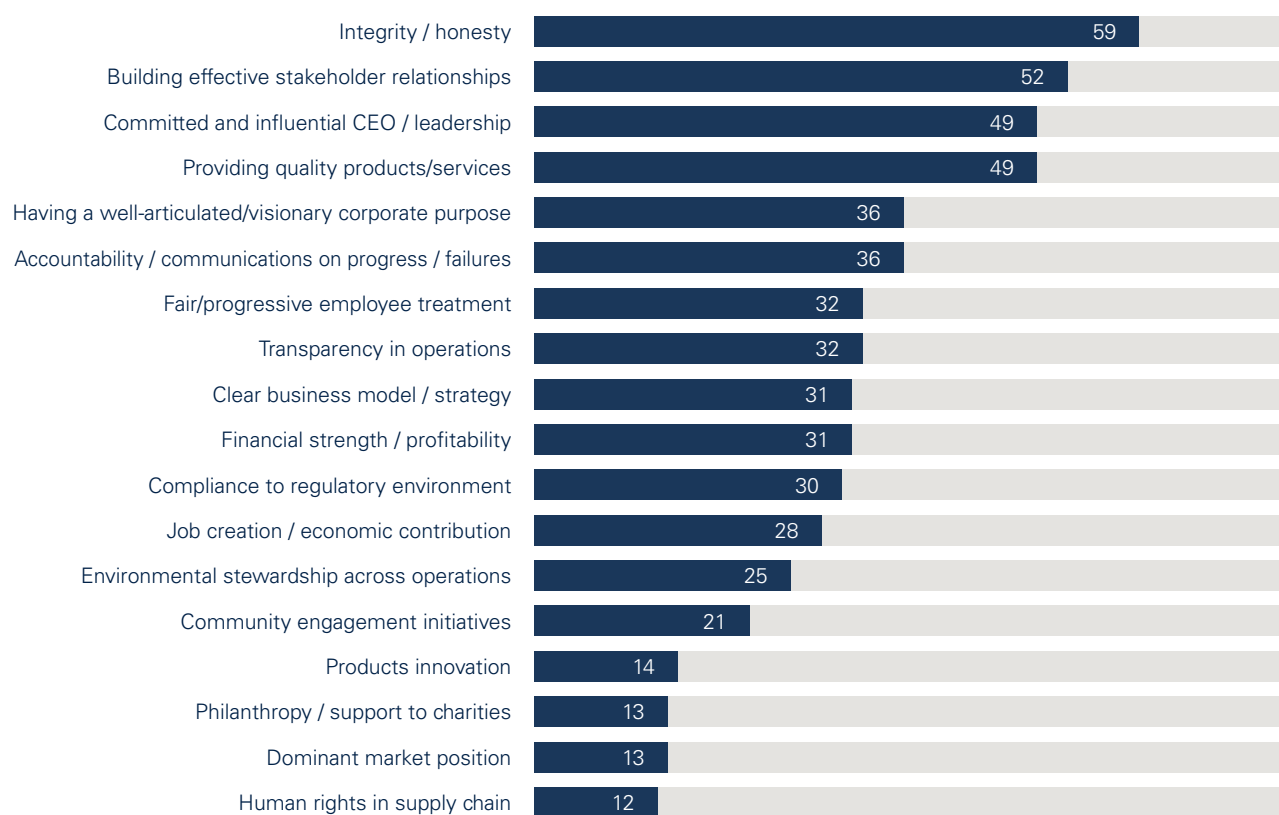
energy, extractives, and manufacturing sector at 86 percent and 61 percent respectively.

Committed and influential CEO leadership is an important driver of trust in all regions (50%), apart from Latin America where only 17 percent see this as a key driver, and where community engagement initiatives are instead seen as more significant builders of trust (56%). Financial and professional services lead among all sectors on this driver (56%).

The least significant drivers of trust are philanthropy and charitable support in Europe (5%) and supply chain human rights in Latin America (6%). Similarly, community engagement initiatives are very low in the list of drivers in the ICT, media, and entertainment sector (4%).

**Figure 21**

Integrity and honesty remains the most important source of trust



Q6. What do you think drives trust in your company today? Please select the five most important sources of trust in the below list.

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

## 6. Centrality of purpose, but exposed challenges

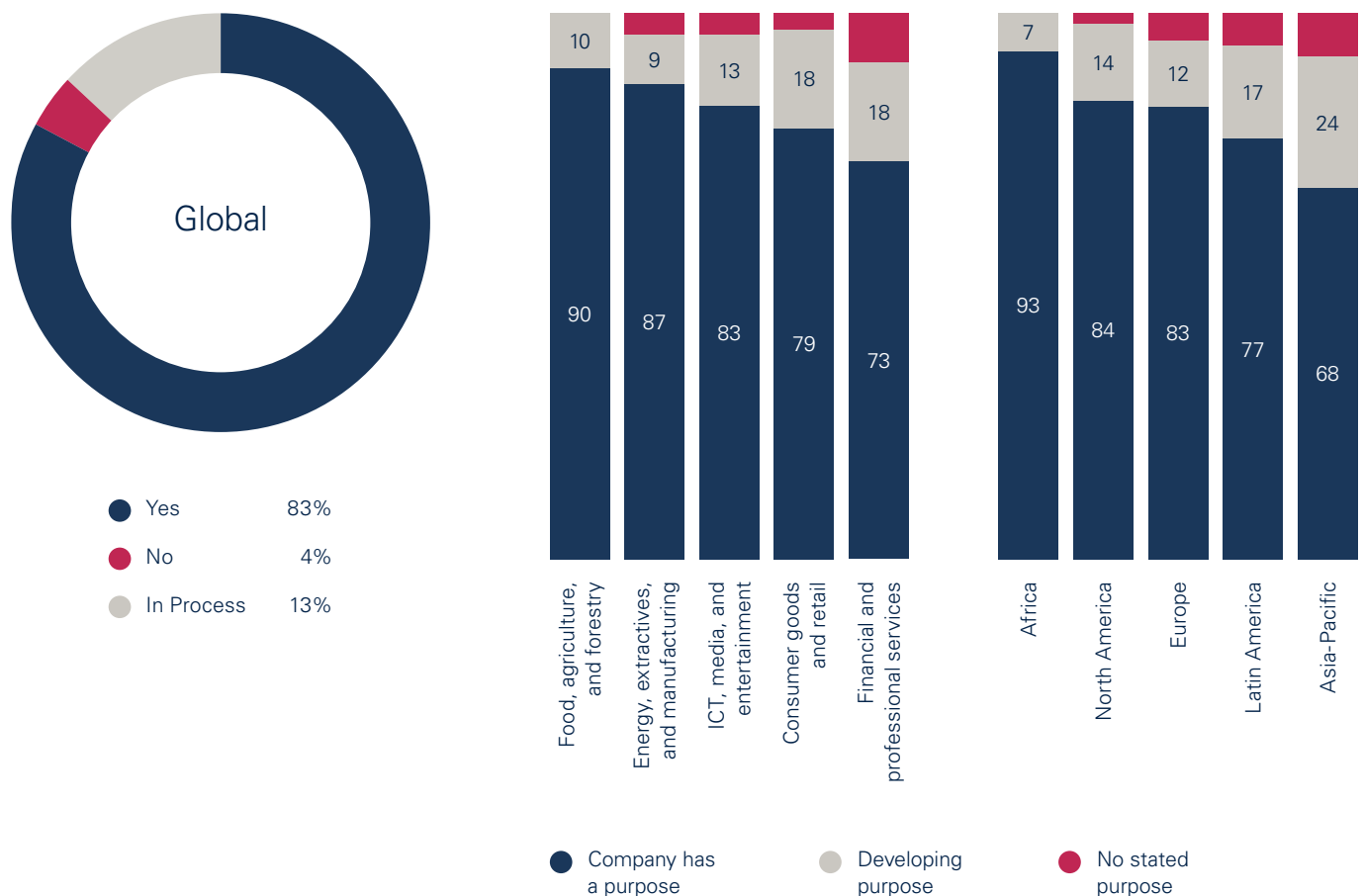
The second major theme that the survey tracked is that of corporate purpose, an area of organisational concern that is receiving ever greater attention and study, including specific research at the Oxford University Centre for Corporate Reputation.

The opening question asked Corporate Affairs leaders whether their companies have a stated purpose in place, and a resounding 83 percent say that they do,

with a further 13 percent currently working toward one. In Africa, respondents from 93 percent of companies say they have a purpose in place while in Asia-Pacific, that number is much lower at 68 percent although 24 percent say that they are developing a stated purpose. Over 70 percent of each sector confirm that they have a purpose, but the food, agriculture, and forestry (90%) and energy, extractives, and manufacturing (87%) sectors lead the way.

**Figure 22**

Majority of companies have a defining purpose, but Asia-Pacific is lagging somewhat behind other regions



Q7.1. Does your company have a stated corporate purpose in place or are you in the process of defining one? Or do you not have one at present?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

However, when it comes to the impact of purpose on organisations beyond the creation of a statement, the results raise some clear areas of concern.

To begin, it is worth looking at the positive effects of purpose. Firstly, a majority of companies report that they have a clearly articulated corporate purpose (64%), and this is similar to last year's survey (67%). This is particularly true in Europe (70%), in the consumer

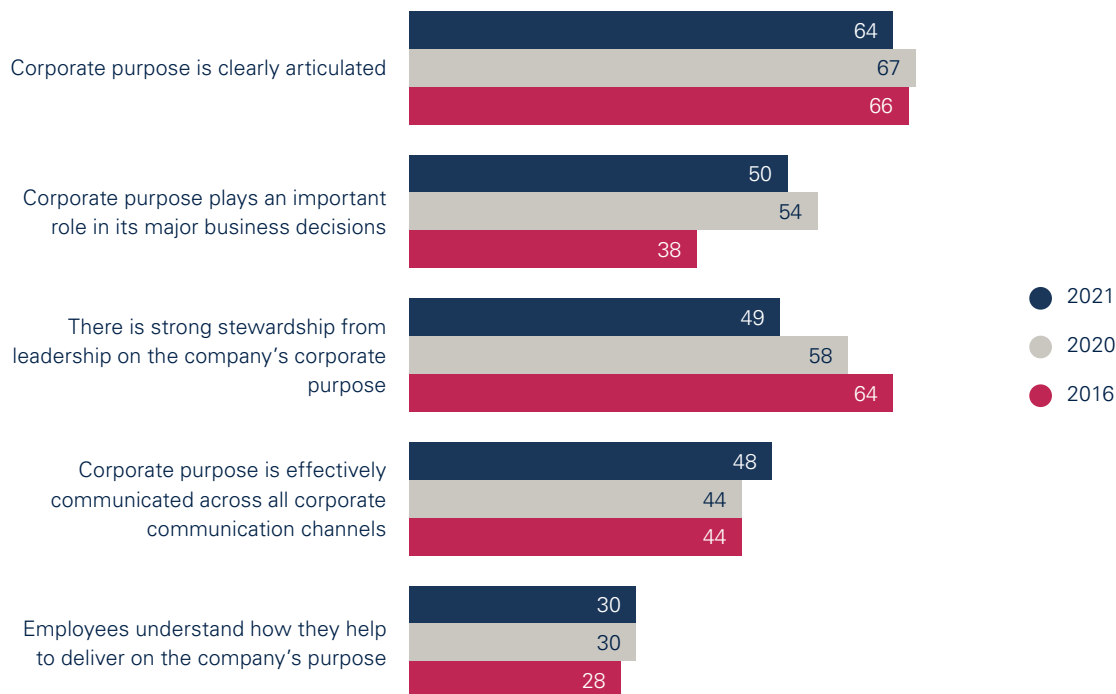
goods and retail (70%), and energy, extractives, and manufacturing (70%) sectors.

Secondly, purpose is seen to play an important role in making major business decisions (50%) – albeit less so in Latin America (29%). And thirdly, purpose is effectively communicated across all corporate communications channels (48%), although only 14 percent of NGO, research, IGOs, and foundations agree.

**Figure 23**

Overall perceptions about corporate purpose

Percentage of respondents agreeing with each statement



Q72. To what extent do you agree or disagree with each of the following statements related to your company's corporate purpose?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

In contrast, strong stewardship from leadership on corporate purpose has fallen away and is down nearly 10 percentage points from 58 percent last year to 49 percent currently. This is particularly low in Latin America (24%), but the consumer goods and retail sector shows a much healthier rating (61%).

But of concern is that only 30 percent of companies believe that their employees understand how they help to deliver on the company's purpose. This is at

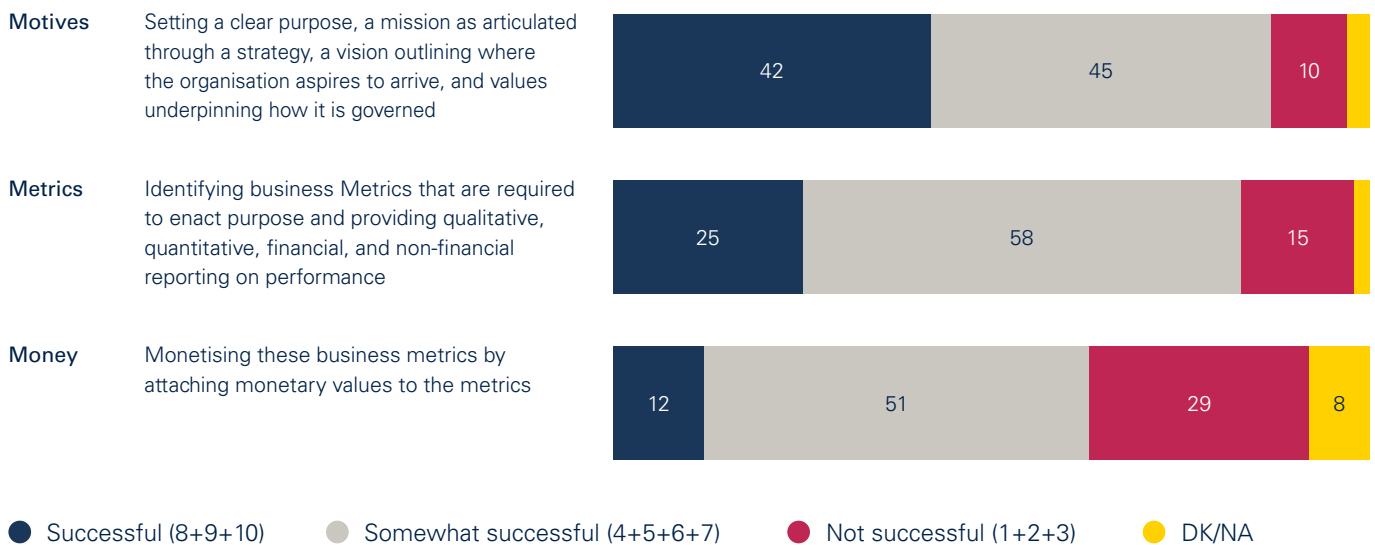
the same level as in 2020 and little progress seems to have been made over the last year. Companies in Asia-Pacific in particular seem to be struggling in this area, with only 13 percent of employees understanding how to deliver on the purpose.

In considering how to address this, it is important to see how purpose is being assessed. The survey set out to analyse this across three key areas: motives, metrics, and money.



**Figure 24**

Measuring purpose\* remains a key challenge



\*Three components outlined in the article 'Measuring Purpose – An Integrated Framework' (2021), Barby et al. in SSRN

Q7.3. Measuring purpose is a topic receiving much attention. On a scale of 1 to 10, how successful is your organisation in reporting about the following dimensions?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

### Motives

When asked how successful organisations are when it comes to setting out corporate motives in terms of publishing a clear purpose, a mission as articulated through a strategy, a vision outlining where the organisation aspires to arrive, and values underpinning how it is governed, 42 percent report that they feel their organisations are successful. Ratings are much lower on this metric in Asia-Pacific (28%) and in the financial and professional services sector (27%).

### Metrics

When looking at the extent to which companies identify the business metrics that are required to enact the purpose and provide qualitative, quantitative, financial, and non-financial reporting on performance, only 25 percent of respondents report having done so – North America leads with 30 percent of respondents identifying these metrics while less so in Africa with 14 percent. When looking at this by sector, 35 percent of consumer goods and retail companies say they are engaged here.

### Money

Very few businesses (12 percent) attached monetary values to any metrics. Low figures are seen across every region and in every sector.

While the survey continues to show that purpose is a strategic asset and that, overall, it is playing a role in business decisions, there has been a significant decline in guidance from corporate leadership along with stagnant levels of employee understanding of how to bring it to life in practical ways. Perhaps this should not be a surprise. After the initial work to establish and advertise purpose credentials, it was always going to be a challenge to ensure that not only is the purpose real and grounded in corporate truth, but that it is a meaningful catalyst every day and for every stakeholder.

## 7. Corporate Affairs business impact

Tracking how Corporate Affairs helps to create and protect business value is of increasing importance, not only in assessing its maturity as an executive function but also in helping it access the resources it needs to fulfil an ever-widening set of responsibilities.

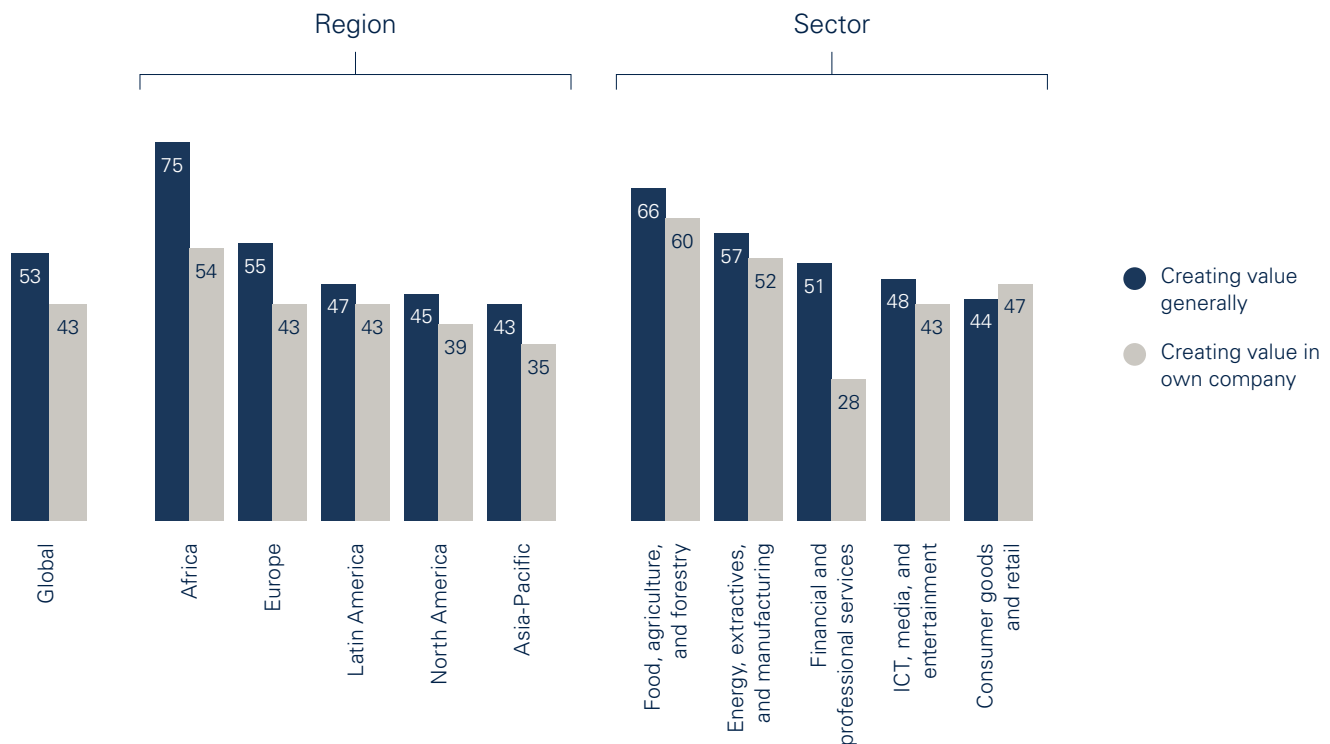
When looked at as a function in and of itself, 53 percent of respondents believe that Corporate Affairs is having a positive impact on business value, a similar level compared to last year (52%). This is particularly

evident in Africa (75%) and in the food, agriculture, and forestry sector (66%).

Yet the picture changes when the spotlight is turned on a company's own function. Only 43 percent believe that their company's function is having an impact on creating and protecting business value. There is a 10 percentage-point gap between the conceptual aspiration and the reality of execution, which has not changed since last year.

**Figure 25**

Growing gap between impact of Corporate Affairs function generally and impact within own organisation



Q12.1. Generally speaking, how would you rate the impact of the Corporate Affairs Division in creating and protecting business value? Q12.2 And thinking about your organisation, how would you rate the impact that Corporate Affairs Division has on creating and protecting business value?

This gap is especially pronounced in Africa (a 21 percentage-point gap) and Europe (with a gap of 12 percentage points). This increases to a 23 percentage-point difference between global aspirations and corporate reality in financial and professional services, where non-statistical metrics historically face tough scrutiny.

When asked specifically about how Corporate Affairs can create and protect business value, the largest response by far is that it plays a central role in protecting and promoting reputation (44%). This is less so in Latin America (21%) and in the energy, extractives, and manufacturing sector (30%).

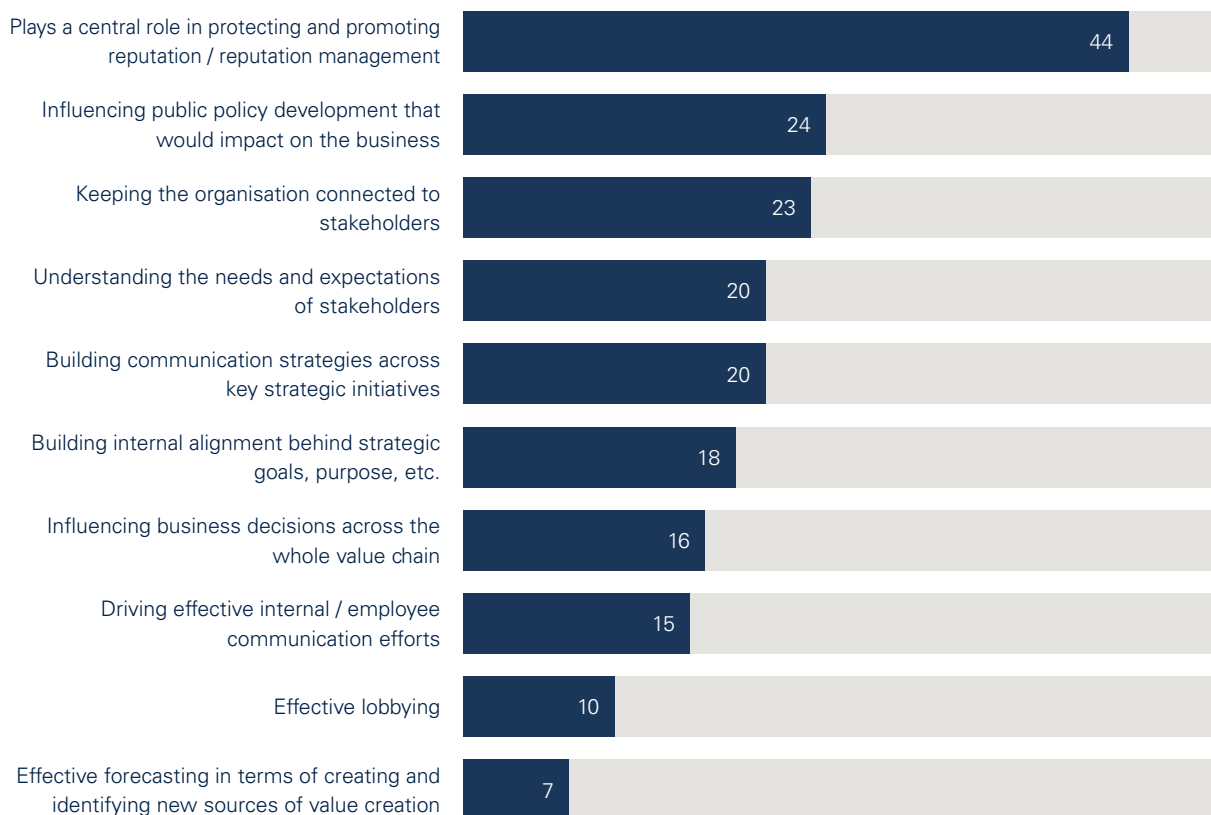
Other reasons for impact are evenly spread, with influencing public policy development that would impact the business following at 24 percent and keeping the organisation connected to stakeholders at 23 percent.

Interestingly, the two lowest-rated impacts were judged to be in effective lobbying (10%) and in forecasting to assist the identification and creation of new sources of business value (7%), the latter being a potentially significant blind spot that is essential to address.

Set against these positives, the greatest barrier to the impact of the Corporate Affairs function in creating value is the fact that it is not seen as a strategic role player (50%). African companies are unanimous in their agreement with this (100%), while, although a small sample size and therefore larger margin of error, those in Latin America do not agree at all (0%). Financial and professional services feel particularly strongly that this is the case (70%).

**Figure 26**

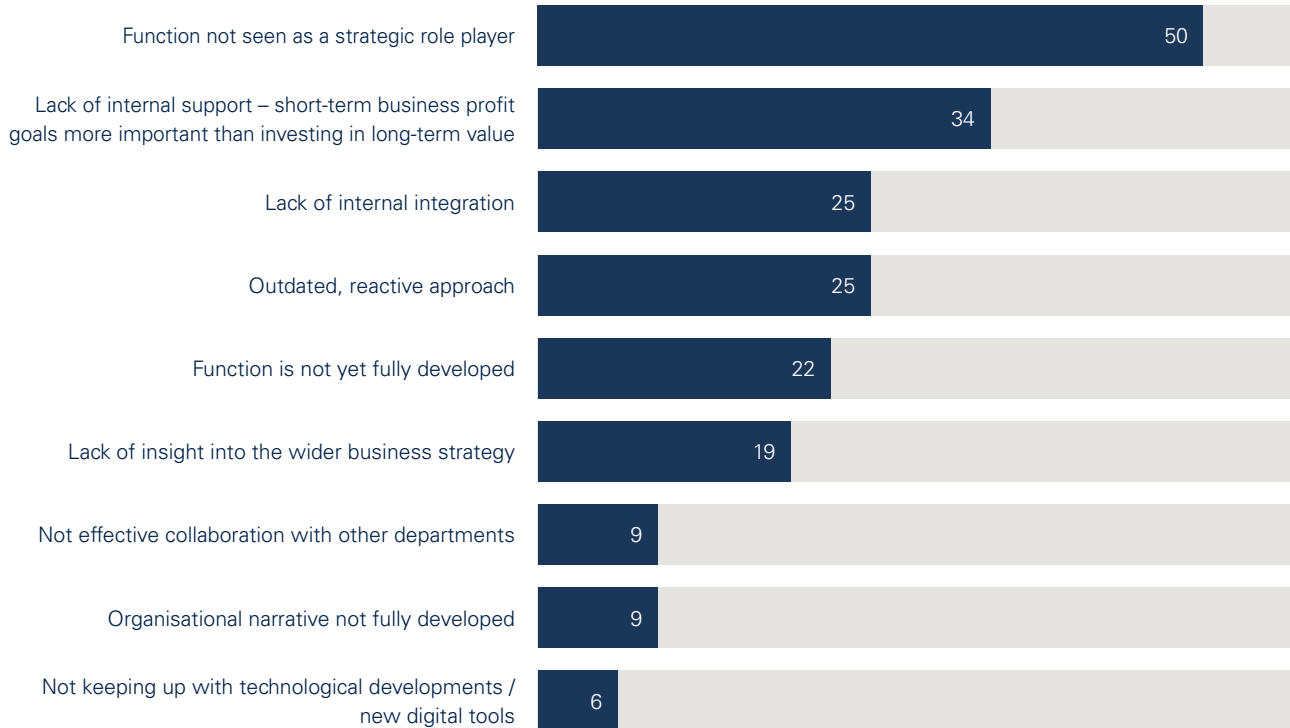
Protecting and promoting reputation is the most important way that Corporate Affairs is creating value



Q14. You feel that Corporate Affairs has an impact on creating and protecting business value. What do you believe Corporate Affairs is getting right in creating and protecting business value? Please select the most important reason followed by the second most important reason on list below. Asked to those who rated 4 or higher on 7-point scale the impact of the Corporate Affairs Division in creating and protecting business value: *n* = 164.

**Figure 27**

Not seen as strategic and lacking internal support are main drivers of low-impact Corporate Affairs in creating value



Q13 What are the main reasons why you feel that the impact of Corporate Affairs in creating and protecting business value is lower? Please select the most important reason followed by the next most important reason. Asked to those who rated 1-3 on a 7-point scale rating the impact of the Corporate Affairs Division in creating and protecting business value:  $n = 32$ .

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

The second most quoted barrier to the Corporate Affairs function and its impact in terms of creating business value is related to a belief that companies view short-term business profit goals as more important than investing for the longer term. The function therefore suffers from a lack of internal support (34%), which is the second-most cited reason and one that has increased since last year (25%).

Mirroring last year's findings, the next two most-mentioned reasons that the function feels it is held back from creating and protecting business value are firstly the poor levels of connection between Corporate Affairs and other critical business functions (25%), leading to a disconnect when it comes to insights into wider business strategy. Regionally, this is a bigger problem in Latin America (67%). By sector, the most disconnected is food, agriculture, and forestry (67%), a 10 percentage-point increase since last year (57%).

The second reason relates to the function being too tactical and reactive, along with a sense of being

outdated (25%). This is an issue particularly within Latin American companies (67%) and also within the NGO, research, IGOs, and foundations sector (50%).

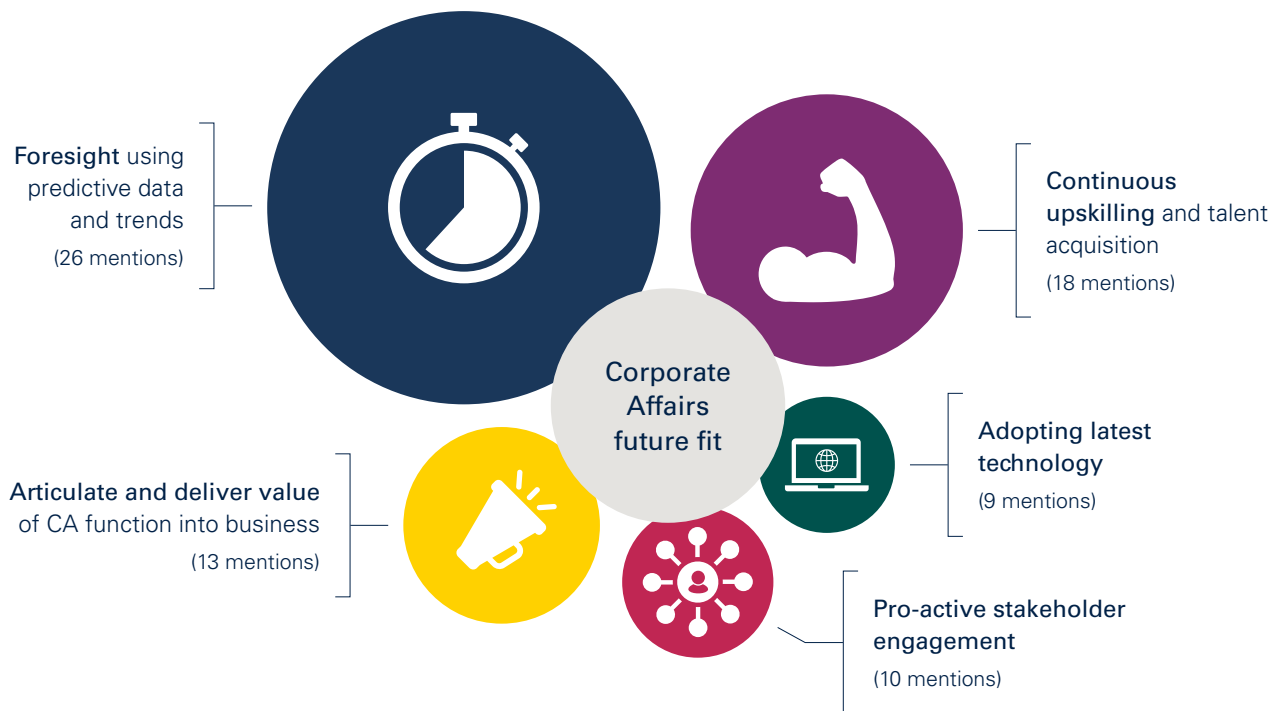
Furthermore, 22 percent of respondents feel that the function is still not yet fully developed, most notably in Europe (31%) and in the NGO, research, IGOs, and foundations sector (50%).

### **What can the function do to ensure that it is future fit?**

In an open-ended question aimed at gaining insights into what steps the Corporate Affairs function could or should take to counter these perceived barriers and also position itself to be future fit, offer interesting insights. In Figure 28 we offer a summary of the overall broad trends. Developing or strengthening the ability of the Corporate Affairs function to use predictive data and trends to have greater foresight was singled out by most respondents.

**Figure 28**

Having foresight through use of predictive data and appropriate, well-trained people are seen as keys to being future fit



Q3. What is the single most impactful thing that you could do to ensure that your function is future fit? Unprompted,  $n=108$  respondents offered verbatim responses

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

Input to address this question came in the form of unprompted verbatim answers to ensure that the analysis tapped into the deep knowledge and experience of respondents and it is thought-provoking to hear Corporate Affairs practitioners in their own words.

From these responses, there are five areas that stand out:

### 1. Foresight – using predictive data and trends

'We need to undertake horizon scanning and stay tuned to external world dynamics.'

'Being connected with what's happening in the external world and with the business strategy is key.'

*'Understand the changing expectations of communities and societies that grant us a social license to operate.'*

### 2. Continuous upskilling and talent acquisition

'Ensure that the function has the right talent and the right skill sets to be the key information broker connecting the business to its stakeholders.'

*'Establish alliances for collective action.'*



### 3. Articulate and deliver value of the function into the business

'We should deepen the connection between positive brand reputation and profits.'

'Bring value to the business by advocating for local solutions to most-pressing risks.'

*'Create more evidence-based policy narratives in each of the areas of identified risk.'*

### 4. Proactive stakeholder engagement

'Embed the management of reputation in the minds of fellow Board members through improved stakeholder communications.'

'Engage strategically with leadership on critical issues facing the company and make their voices heard.'

*'Expand our stakeholder base to be in tune with emerging voices which define tomorrow's expectations of the business.'*

### 5. Adopting latest technology

'Acknowledge that earned media is increasingly less important and that new technologies allow companies to disintermediate the media. We need to invest in these new channels and execute effectively.'

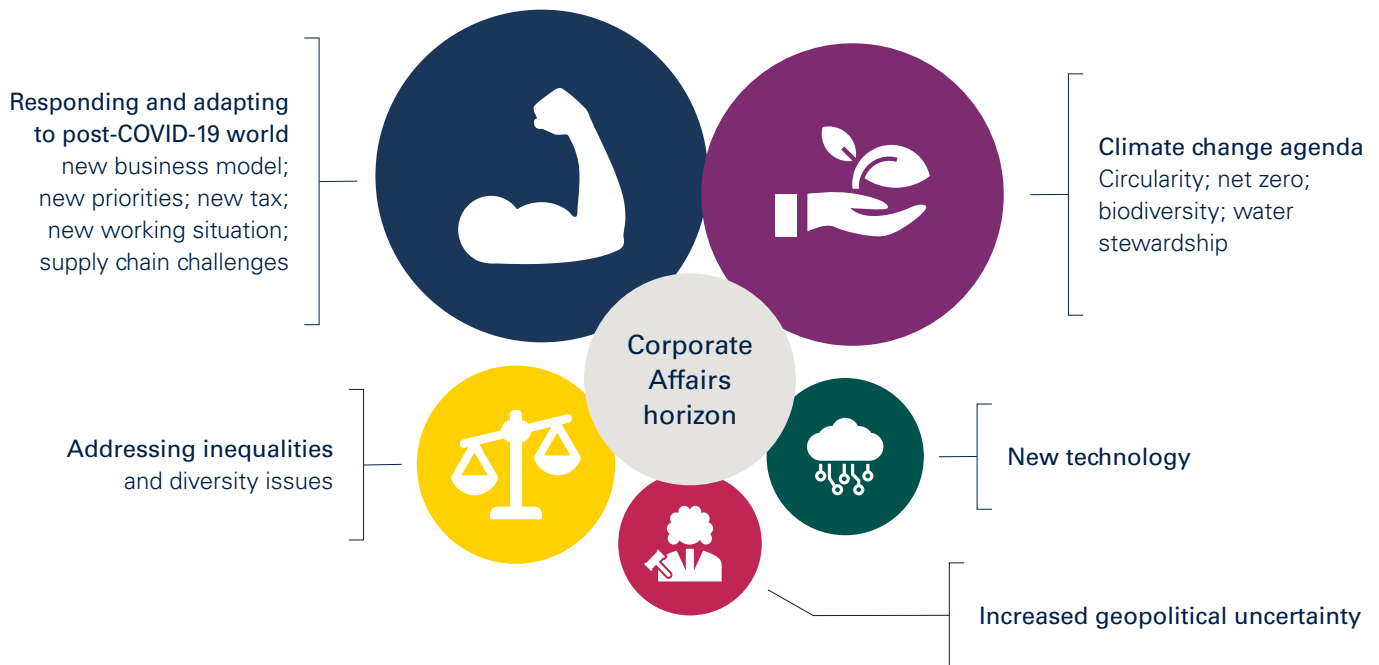
*'Re-skilling my team in technology and ESG is critical.'*

A further open-ended question was posed in which respondents could offer insights into which emerging issues they have on their horizon. Analysing this feedback together with their priorities and what Corporate Affairs practitioners consider as key steps to ensuring that the function is future fit offers good direction into the current agenda of leaders in the field. The most-mentioned broad issue is related to responding and adapting to a post-COVID-19 world and entails a new business model, new priorities facing

business, the emergence of new tax regimes, the new working situation (WFH) and supply chain challenges. Focusing on the climate agenda and addressing inequalities was the second and third most mentioned emerging issue, while adapting and acquiring new technologies was also mentioned.

**Figure 29**

Post-pandemic adaptation and the climate agenda are seen as rising issues to be addressed by Corporate Affairs



Q8 Thinking about the next 12 months, what are the emerging issues that you have on your horizon? Unprompted,  $n=96$  respondents offered verbatim responses

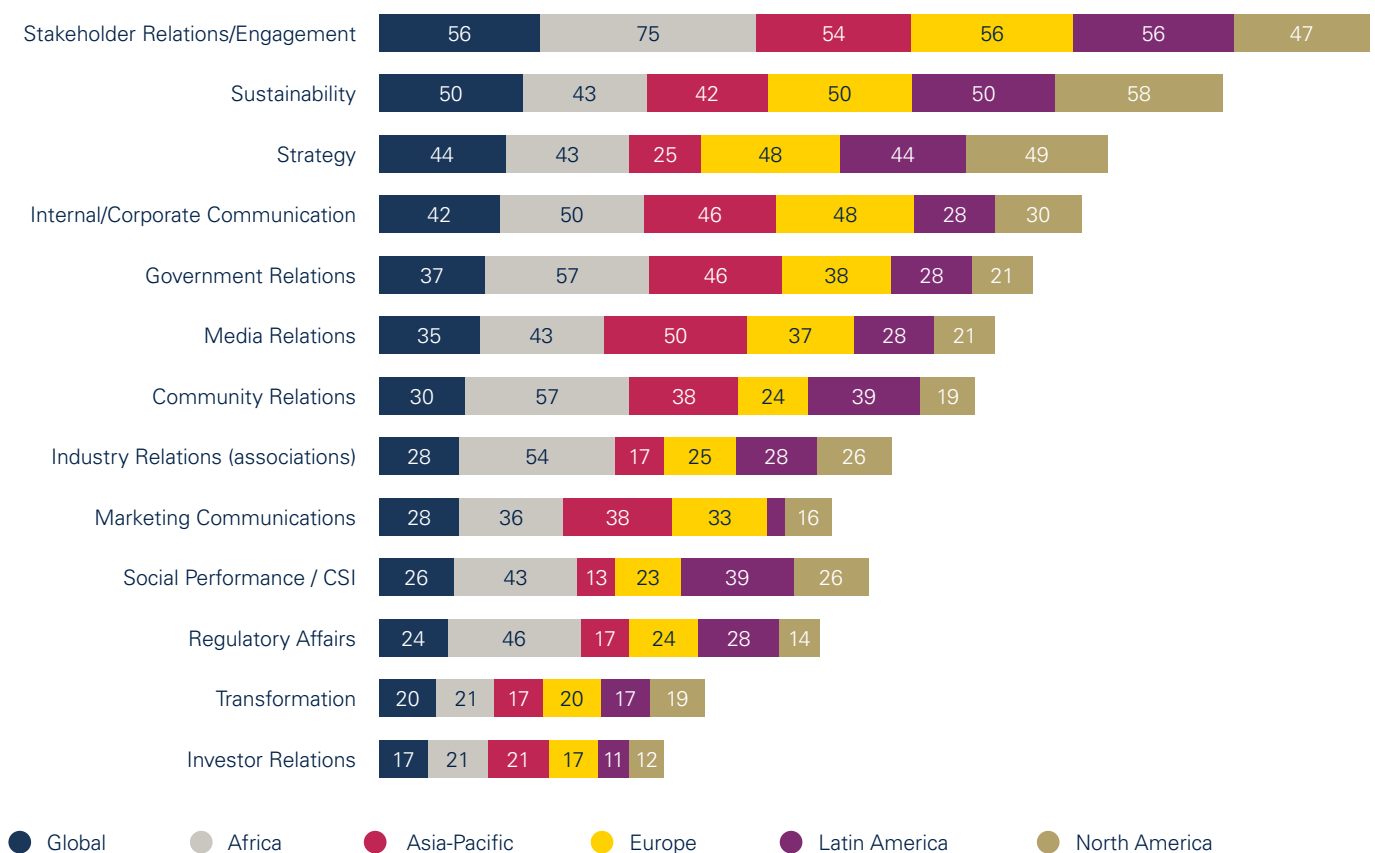
© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

## 8. Corporate Affairs governance

This year's survey again posed several questions related to how the function is governed. Corporate Affairs professionals were asked to describe what responsibilities are included in the function, since the catch-all descriptor covers Corporate Affairs, Corporate Communications, Corporate Responsibility, and External Affairs, and remits within each often include a widely different set of important corporate network outreach functions.

Looking at the overall composition of the broader Corporate Affairs function, the survey again asked respondents to list the functions that they include within their remit. Stakeholder relations and engagement top the list (56%), followed by sustainability in all its guises (50%), with internal/corporate communications in third place (42%).

**Figure 30**  
Scope of the Corporate Affairs function across regions



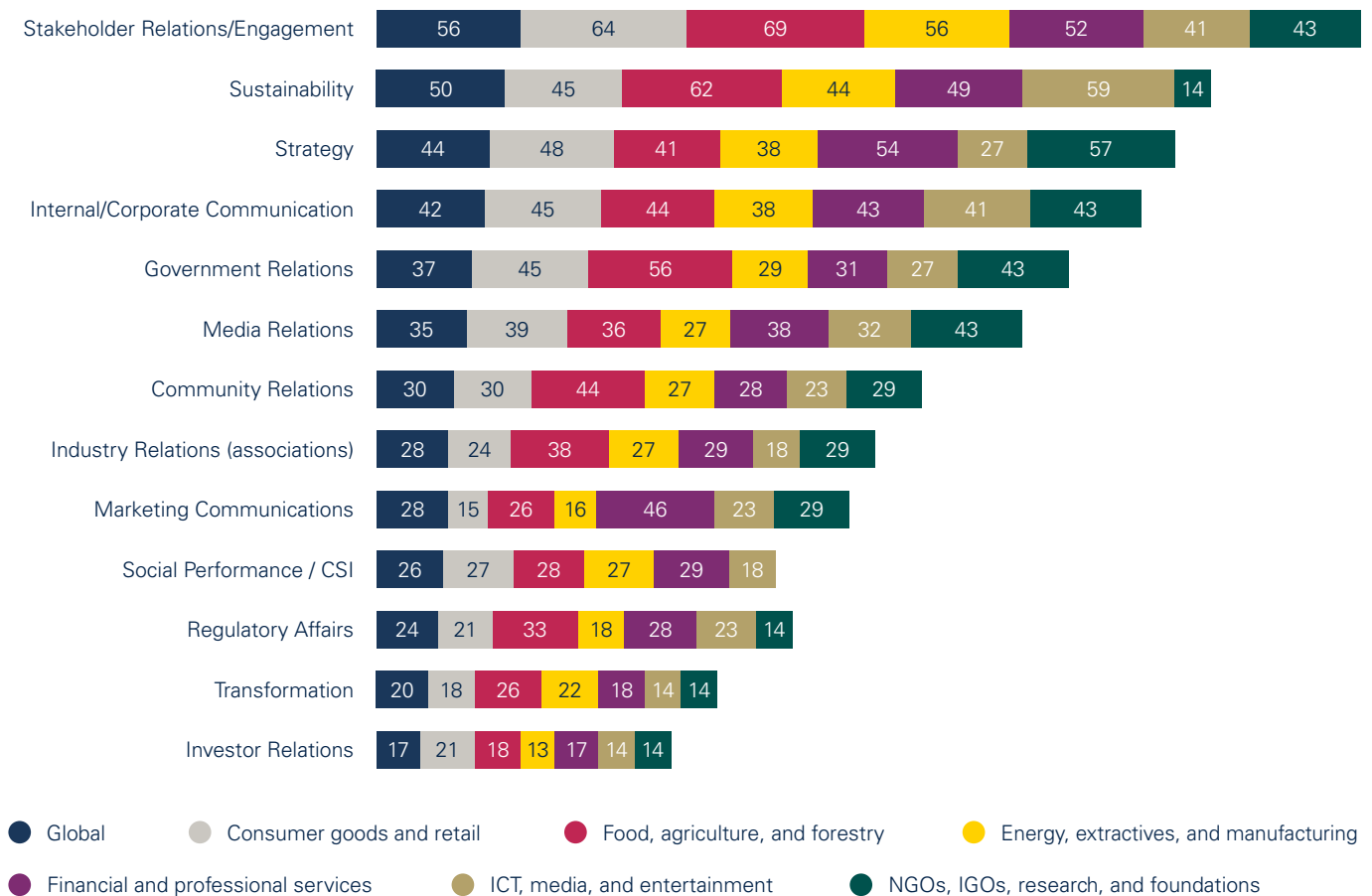
Q18. Within which of these disciplines or functional areas do you have a day-to-day role and responsibility?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

When examined at the regional level and beyond a common emphasis on stakeholder relations and engagement, of note is that African functions cover government relations (57%) and community relations (57%) followed by industry relations (54%) and internal communications (50%). In Asia-Pacific, companies majored on media relations (50%) followed by

government relations and internal communications (both at 46%). Europe is focused on internal communications and engagement (47%), sustainability (50%), and internal communications (48%). In Latin America, the focus is on sustainability (50%) and strategy (44%), and in North America, Corporate Affairs is focused on sustainability (58%) and strategy (49%).

**Figure 31**  
Scope of the Corporate Affairs function across sectors



Q18. Within which of these disciplines or functional areas do you have a day-to-day role and responsibility?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

At the sector level, stakeholder relations and engagement see widespread involvement, but in addition, Corporate Affairs' day-to-day roles and responsibilities include strategy in the consumer goods and retail sector (47%), as well as in financial and professional services (54%) and NGO, research, IGOs, and foundations (57%). Sustainability is a significant

area in food, agriculture, and forestry (62%), energy, extractives, and manufacturing (44%), and in ICT and media entertainment (59%) sectors. Regulatory affairs is a significant area of responsibility for food, agriculture, and forestry companies (33%) as well as for financial and professional services companies (28%).

## 9. Beyond COVID-19

In the first Oxford-GlobeScan Global Corporate Affairs survey last year, we began to assess the effects that the pandemic was having on the function's access, involvement, and impact. Although the world was in a state of crisis and uncertainty with the onset and immediate impacts of COVID-19 at the time of writing, the subsequent 12 months of activity have provided some directional data and clarity.

At a higher level, 78 percent of Corporate Affairs functions agree with the statement that companies

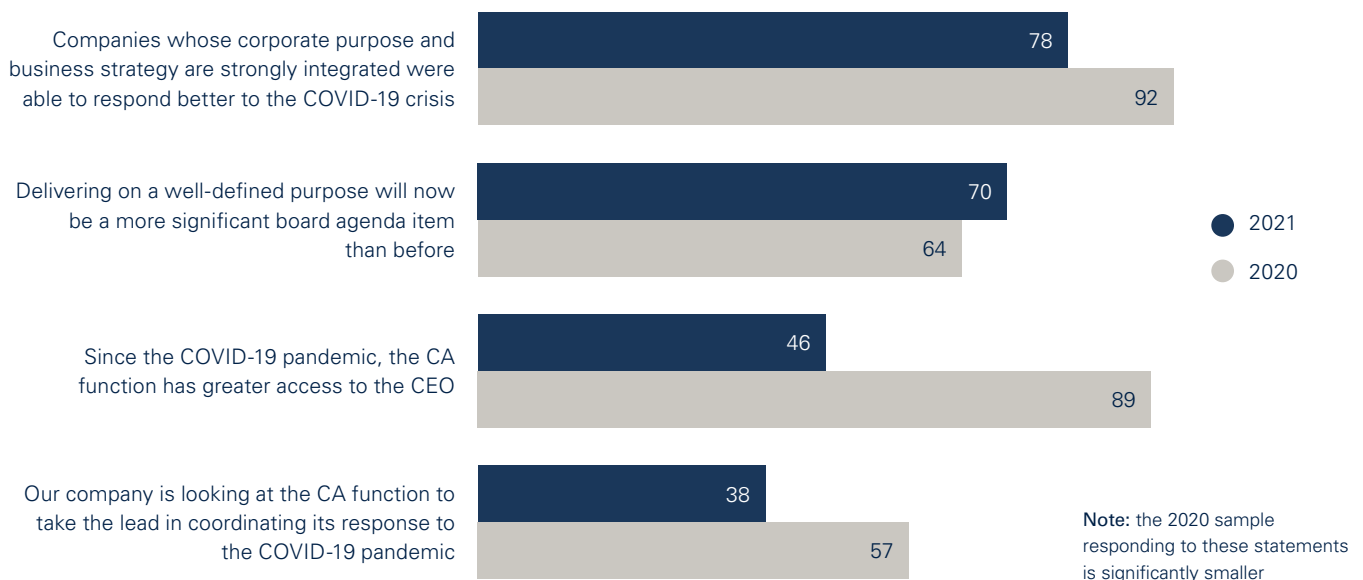
whose corporate purpose and business strategy are strongly integrated were able to respond better to COVID-19, with very little distinction by region or sector.

Delivering on a well-defined purpose is now seen to be a more significant Board agenda item than in the past, and 70 percent of Corporate Affairs functions agree, particularly those in financial and professional services (80%).

**Figure 32**

Perceptions about post-COVID-19 leadership and role of Corporate Affairs

All respondents (n= 228), 2021 (Strongly Agree + Agree), 2020, supplementary survey (n=69)



Q15. We would like to understand how the COVID-19 pandemic is impacting on the Corporate Affairs function today and in the future. Do you agree or disagree with the following statements?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

Last year, 57 percent of companies looked to the Corporate Affairs function to take the lead in coordinating their responses to the pandemic. This year, perhaps as the initial shock of the crisis has passed and companies are trying to put traditional structures back around their organisational responses, this number has fallen to 38 percent. There has been a slower reduction of involvement in Africa (57%) and in ICT and media entertainment (50%).

Somewhat alarmingly, Corporate Affairs access to the CEO since the peak of the pandemic has fallen from 64 percent to 46 percent, with 42 percent reporting neutral views.

The above findings are indicative of the prevailing traditional functional role of leading an organisational response to a crisis, with a 'handing back' of the reins when a more normalised setting returns.

Nevertheless, during the pandemic the function has shown an ability to think and act at pace, to flex its attention to prioritised stakeholders – most importantly the internal audience – and to understand the importance of developing more business value-targeted methods of evaluation.

Combined with the 'fit for future' skillset outlined earlier, these proof-of-performance cornerstones can help the Corporate Affairs function to evolve further.

## 10. Respondents and methodology

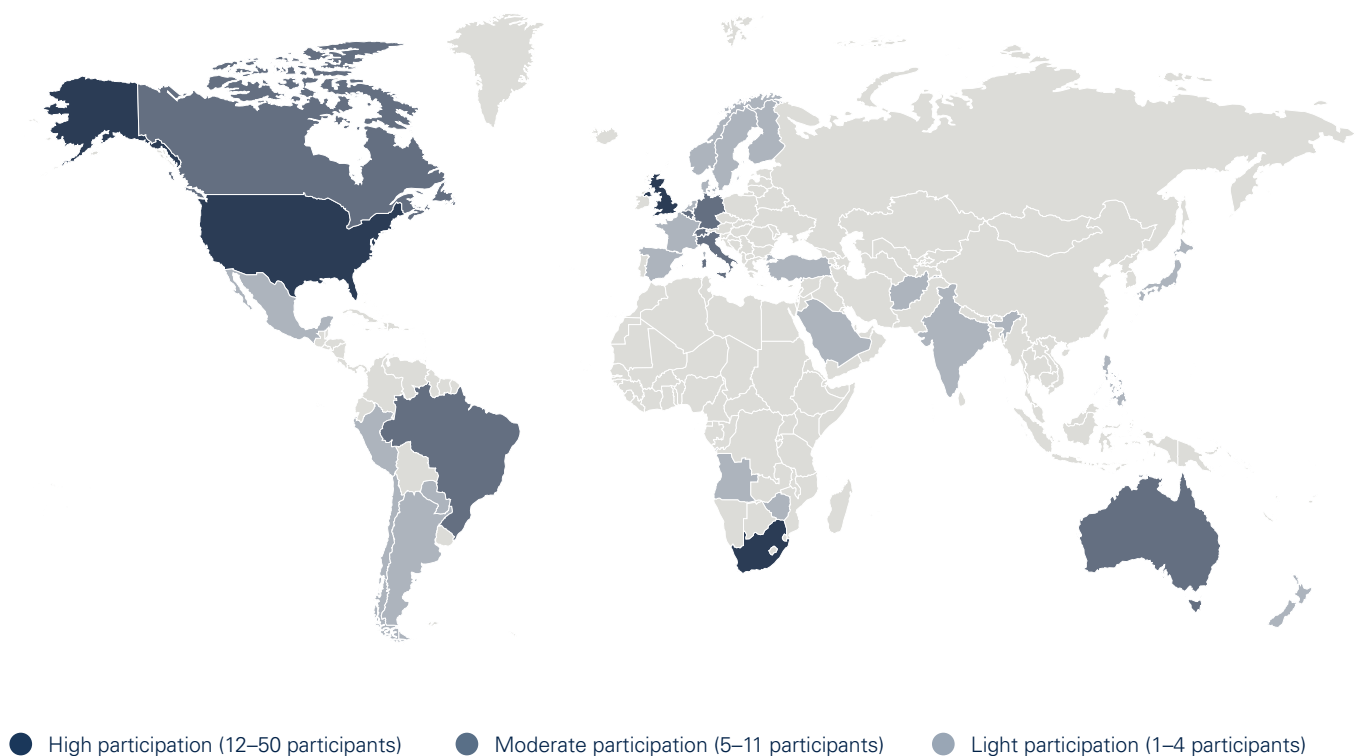
Following the inaugural 2020 Oxford-GlobeScan Global Corporate Affairs Survey, this online survey was conducted between February 25th and March 29th of 2021 and the data collected provides a view of evolving sentiment during the last year. Over 3,200 Corporate Affairs, Corporate Communications, and related practitioners were invited to participate in the survey.

Despite several other surveys targeting the same set of respondents, 228 Corporate Affairs practitioners took an average of 20 minutes to complete the survey.

The realised sample is highly representative of the broader Corporate Affairs function globally. Participants from 38 countries and all main sectors completed the survey.

**Figure 33**

Voice of Corporate Affairs practitioners

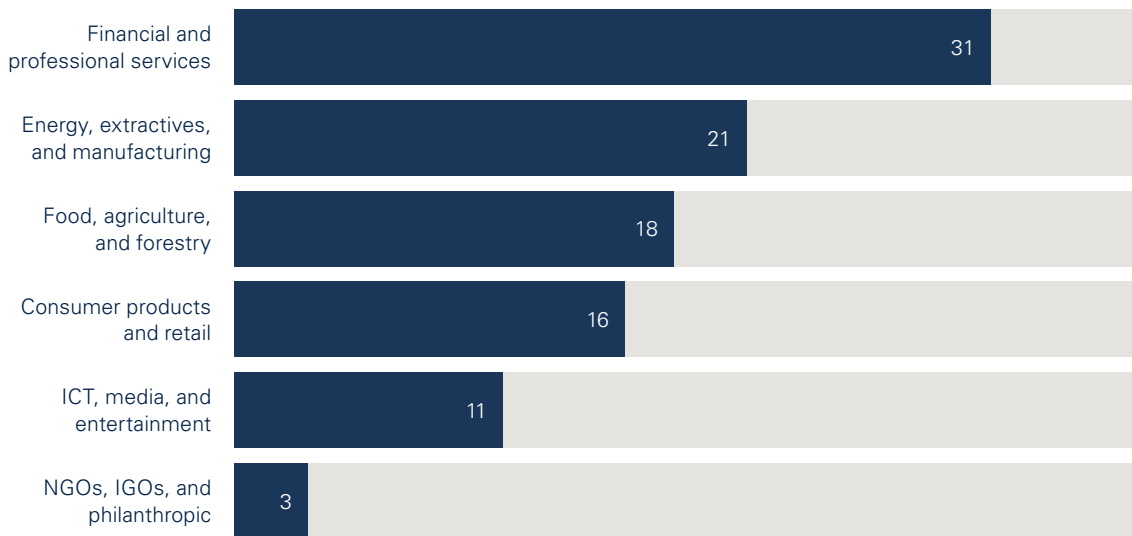
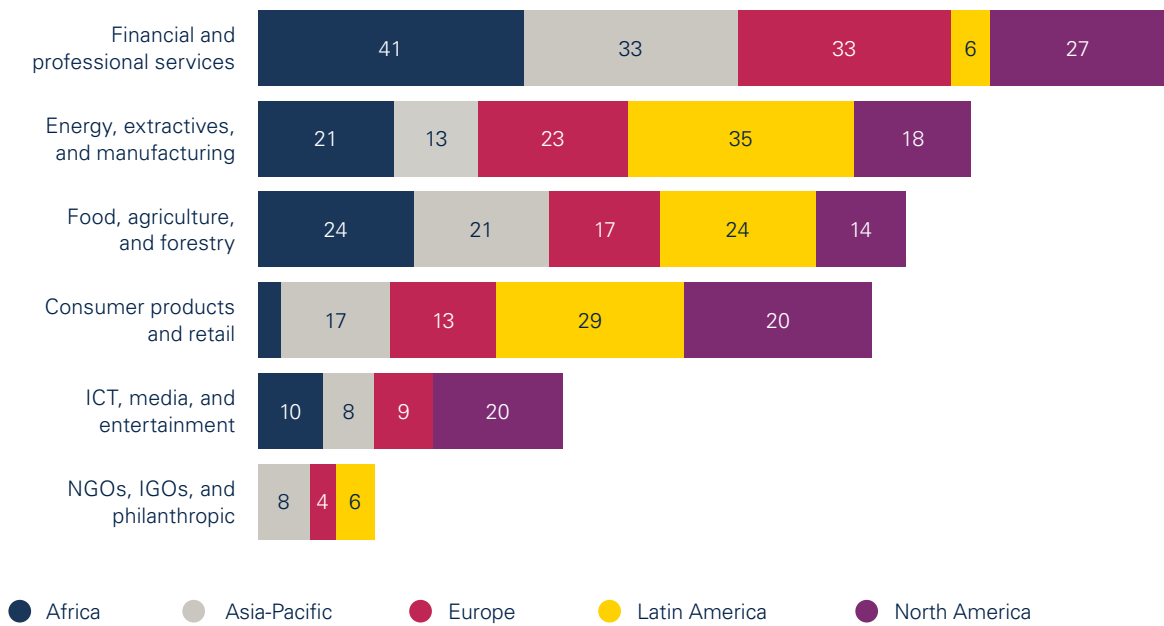


Q16. In which country are you based?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

**Figure 34**

Sample distribution by sector



Q16. In which sector do you operate?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

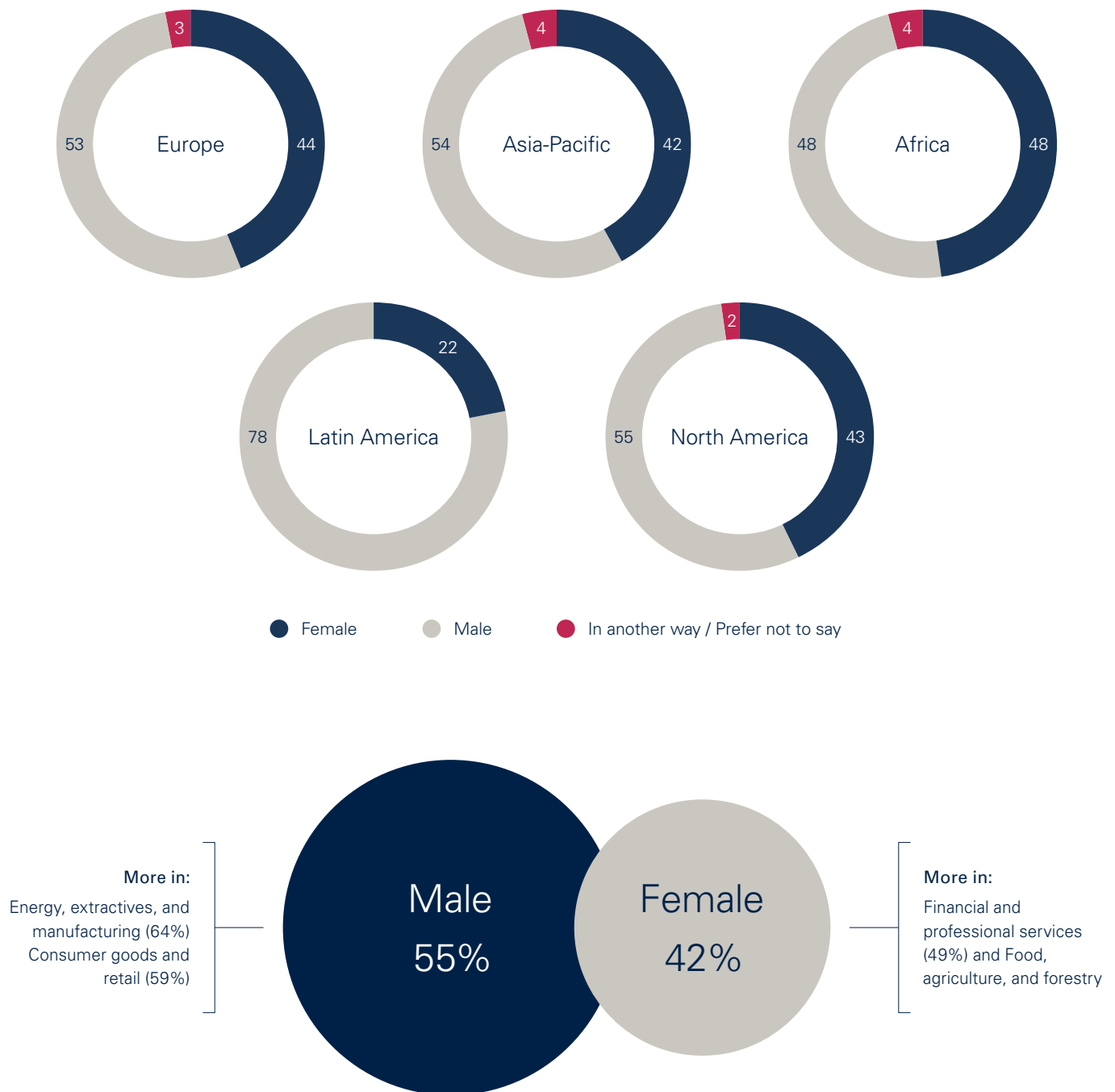
The composition of the realised sample offers good representation both in terms of geography and sectors, and the overall composition of the 2021 sample compares well to that of the 2020 sample. Corporate

Affairs functions based in all regions are balanced in terms of gender, except for Latin America where nearly eight in ten respondents were male.



**Figure 35**

Voice of Corporate Affairs Practitioners



Q17. How would you describe yourself?

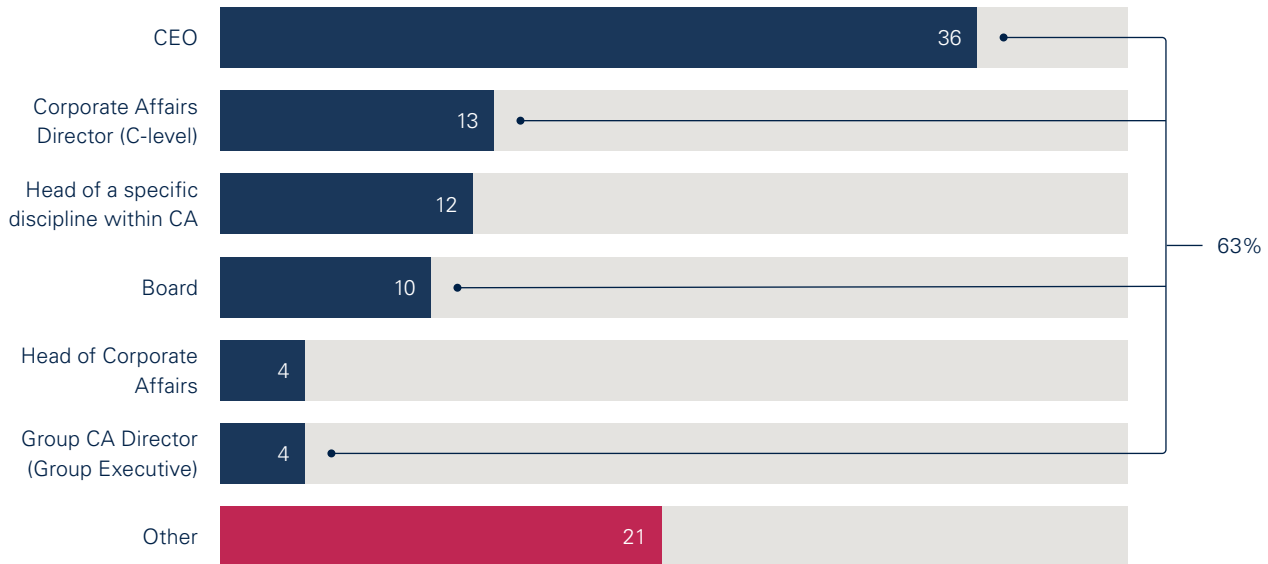
© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

More than half of participants (63%) report to the Board, CEO-level, or a Group Executive level, and 60 percent of the sample have been operational in

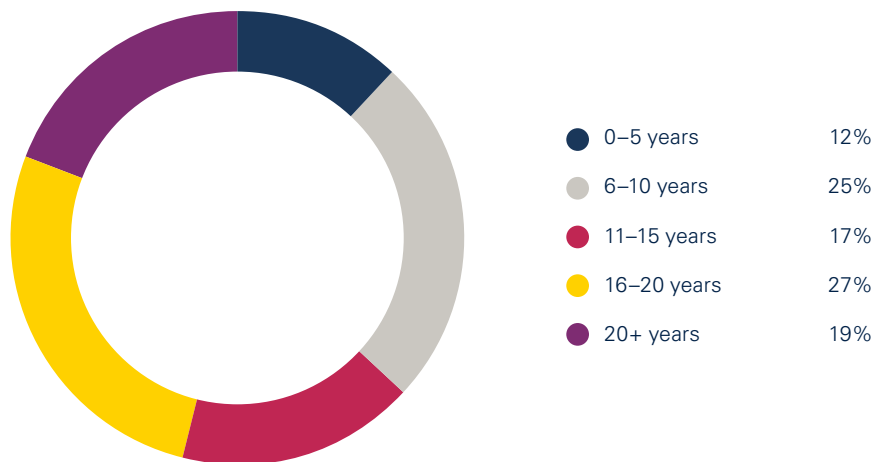
Corporate Affairs for ten years or more. The most experienced respondents were from North America (27%) and Europe (24%).

**Figure 36**

Reporting lines – six in ten respondents report to their CEO, Board, or the C-level suite Corporate Affairs directors



Other functions include COO, CFO, CSO, CMO, among others

**Tenure in Corporate Affairs**

Q17. Who do you currently report to? Q21. How many years of experience do you have in the Corporate Affairs world?

© Oxford-GlobeScan Global Corporate Affairs Survey, 2021

# 11. The research partners

---

## 11.1 The Corporate Affairs Academy, Saïd Business School, University of Oxford

### Connecting reputation with strategy and business performance

Informed and strategic Corporate Affairs activity helps create significant business value and prepares organisations to best recover from downside risks and crises. Organisations operating in fast-paced information overload environments are counting on Corporate Affairs professionals to make the judgements that are required to build long-term success.

The Academy focuses on three core, interrelated themes:

- Reputation research, theory and thinking
- Reputation engagement, trends and practices
- Professional development as reputation experts; high-value purpose, practices and resources

The Corporate Affairs Academy is delivered over two sessions augmented by a series of summer workshops. Each session features a dinner at one of Oxford's historic colleges. Attendees benefit from a balance of leading academic research and functional best practices.

[www.sbs.oxford.edu/caa](http://www.sbs.oxford.edu/caa)

Saïd Business School, University of Oxford  
Contributors are:

**Rupert Younger,**  
Director, Oxford University Centre for Corporate Reputation, Programme Director, Corporate Affairs Academy

**Stewart Prosser,**  
Programme Co-Director, Corporate Affairs Academy and Associate Fellow, Saïd Business School

**Miriam McGilvray,**  
Business Development, Executive Development in Reputation and Corporate Affairs

## 11.2 GlobeScan

### Advising organisations on building trust with stakeholders

GlobeScan, an insights and strategy consultancy, was established in 1987 and has offices in Cape Town, Hong Kong, London, Paris, San Francisco, São Paulo and Toronto. GlobeScan are recognised experts in purpose, reputation and sustainability research, advising organisations on their stakeholder engagement strategies, with the ultimate aim to help clients be trusted leaders. In 2016, it launched a platform of research and engagement amongst leading Corporate Affairs Directors, developing deep insight and expertise in the issues and trends affecting the Corporate Affairs and corporate communications functions globally.

[www.globescan.com](http://www.globescan.com)

The GlobeScan contributors are:

**Chris Coulter,**  
CEO

**Anneke Greyling,**  
Director Africa

**Stacy Rowland,**  
Director Public Relations and Communications

**Robin Miller,**  
Manager Communications and Digital

**Noemi Gomez,**  
Senior Research Analyst



If you would like to discuss anything you have read in this paper, we would love to talk:

Miriam McGilvray

[\*\*miriam.mcgilvray@sbs.ox.ac.uk\*\*](mailto:miriam.mcgilvray@sbs.ox.ac.uk)

+44 7725 606533

[\*\*www.sbs.oxford.edu/caa\*\*](http://www.sbs.oxford.edu/caa)

[\*\*insight@globescan.com\*\*](mailto:insight@globescan.com)

+27 083 777 0161

[\*\*www.globescan.com/contact\*\*](http://www.globescan.com/contact)

Saïd Business School  
University of Oxford  
Park End Street  
Oxford, OX1 1HP  
United Kingdom

[\*\*www.sbs.oxford.edu\*\*](http://www.sbs.oxford.edu)

All information is correct at the time of going to press. Please check our website for the most up-to-date information.

© 2021 SAID BUSINESS SCHOOL