

Oxford-GlobeScan

Global Corporate Affairs Survey

2023 Survey Report



Contents

1. Introduction

This is the fourth annual Oxford-GlobeScan Global Corporate Affairs Survey Report which provides the latest overview of opinions, trends, and challenges through the lens of Corporate Affairs practitioners. This report captures the views and insights of 109 senior professionals who were surveyed in March 2023 on issues and themes of relevance to the 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 organisational purpose, stakeholder engagement, corporate activism, and advocacy. In the first 12 years since its founding in 2011, the Academy has hosted over 250 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, a global insights and advisory consultancy, was established in 1987 and has offices in Cape Town, Hong Kong, Hyderabad, London, Paris, San Francisco, São Paulo, Singapore, and Toronto. GlobeScan works at the intersection of brand purpose, sustainability, and trust.

GlobeScan partners with leading businesses, NGOs, and governmental organisations to deliver insights that guide decision-making and build strategies that contribute to a sustainable and equitable world. In 2016, GlobeScan 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.

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

Chris Coulter

CEO, GlobeScan



2. Executive summary

The key findings of the 2023 Oxford-GlobeScan Global Corporate Affairs Survey are:

- Geopolitical risk and uncertainty is once again the greatest perceived short-term category of risk to global businesses, having risen to the number-one slot in last year's survey as the continuing war in Ukraine and heightened East-West tensions embed these threats. Climate change now finds itself as the second most-significant risk, specifically reflecting deep concerns over the impact of the environment, but with growing political resistance in some parts of the world. Rising significantly since last year are the business risks associated with the macro-economy, replacing the much more tactical issue of supply chain management, which is now in fourth position.
- These top three risks stand out above other categories by some measure, including risks from pandemics which have receded dramatically over the last two years, a trend reflected by the World Health Organisation's recent statement that COVID-19 is no longer a public health emergency. However, the pandemic did shine a light on the importance of community relations and real stakeholder engagement, and addressing these risks is now seen as a significant focus, leapfrogging others to sit among the most-cited issues that follow the top four.
- In order to avoid focusing solely on downside risks, the survey for the first time asked Corporate Affairs leaders what they see as the areas offering the biggest opportunities for global businesses in the next two years. Respondents' sector and geographic diversity produced a broad spread of topics, but the top three opportunities stand out clearly. Firstly, innovation, digitalisation, and AI is the most-cited area of opportunity for business as developments in technology offer ever more nimble and personalised ways of engagement. Second- and third-placed opportunities are related to the ability of organisations to adapt to climate change and a just energy transition.
- At a more corporate level, trust and purpose continue to be significant areas of focus. Providing quality products and services is now seen as the strongest driver of trust in companies, having been the fourth strongest in 2021. This is followed closely by integrity and honesty and building stakeholder relationships which have declined in relative importance from being the standout drivers of trust in 2021 to joint-second in 2023. Additionally, over 90 percent of Corporate Affairs professionals claim to have established corporate purpose in their organisations and report stronger stewardship from leaders and a greater understanding by employees about how to enact purpose. The purpose-driven era for business is well and truly underway.
- The perception that political populism and polarisation is a risk to business has increased again this year, but as polarisation intensifies, companies seem to be shying away from taking strong public positions on issues for fear of provoking a backlash or accusations of greenwashing or being "woke." Beliefs around the importance of corporate advocacy are generally falling and individual appetite remains low. However, where companies are planning to engage in advocacy, the focus is on broad environmental topics, including climate change, and social topics such as diversity, equity, and inclusion, with no change in emphasis since last year. The conundrum is that while businesses say having a voice on these issues is important, the actual appetite and follow-through are low. The issue of metrics and proof points in judging effectiveness may have a role to play in this.

- Set against this backdrop, it is no surprise to find that Corporate Affairs is being called upon even more than before to provide the social context in which business operates, which has seen a significant increase since last year and remains the most prominent part of the role. Other related areas such as stakeholder mapping and engagement have also risen. Once again, helping organisations respond to climate change is the second most-mentioned role, but the function's responsibility to help build and protect reputations has jumped to third position. The growing purpose and trust anchors mentioned earlier rely heavily on this attribute, so it is perhaps no surprise to see the rise in the importance of reputation management with this.
- Over nine in ten practitioners agree that the Corporate Affairs function is having an important impact on the creation of business value, a significant increase from 2021 and a strong indicator of the role's established organisational position and growing maturity.

3. The big picture: risks and opportunities for global business

In the 2023 survey, Corporate Affairs practitioners again identify a number of risks for global business.

Over the last year, the war in Ukraine and conflict elsewhere along with growing tensions between the rising powers of the East and the democracies that are under threat in the West have worked to create a highly fractious business environment and the results of this latest research reflect these tensions. Unsurprisingly, geopolitical risk and uncertainty is once again the largest perceived short-term risk to global businesses, with 50 percent of respondents putting this at the top of their concerns. Many of these geopolitical risks have also accelerated difficult macro-economic conditions

which are now also a major risk for global business. (See Figure 1.)

'[There are so many] geopolitical uncertainties: [a new] emerging world order vis-à-vis U.S. and China; Russia versus Ukraine; the rise of India. [We are in a] 'polycrisis' as coined by the WEF.'

Respondent from Singapore

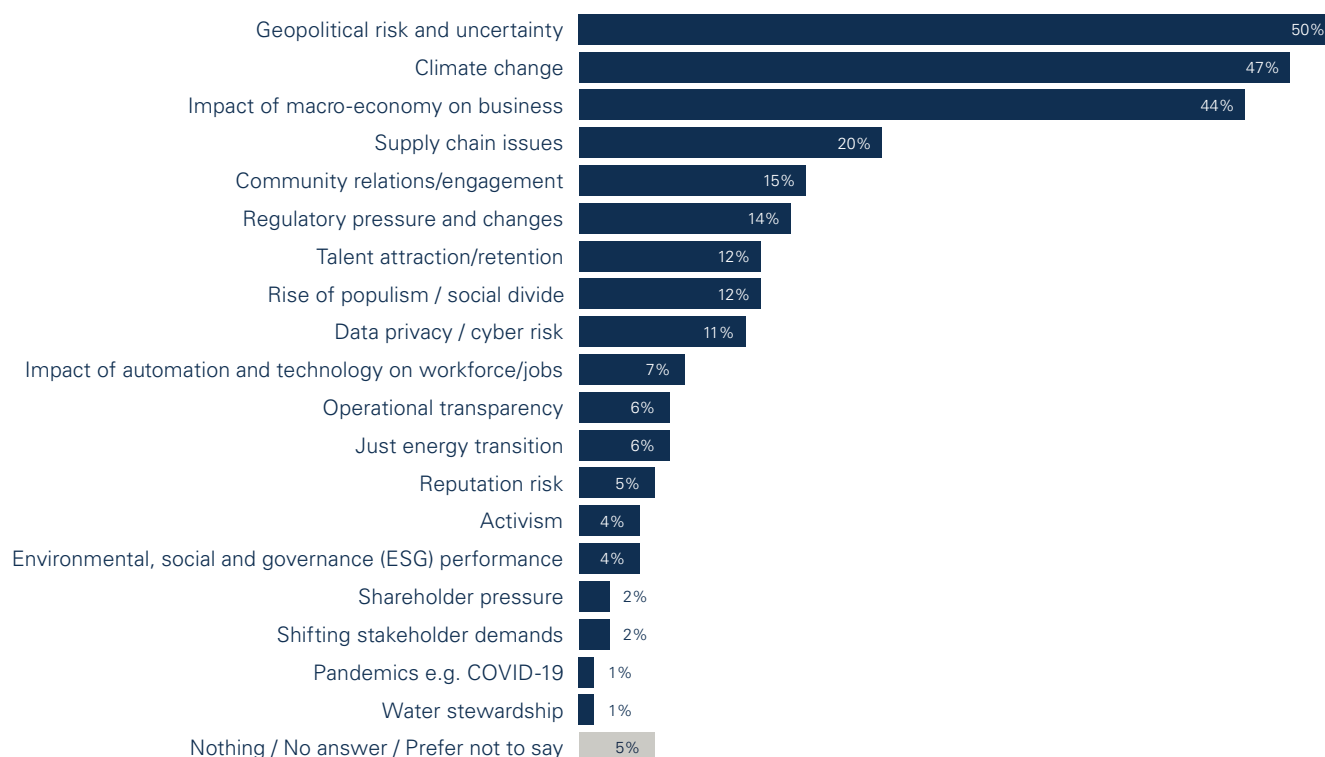
'[We are seeing a] realignment of the geopolitical order, even in countries where there is no war, like India and South Africa.'

Respondent from the USA

Figure 1

Top short-term risk to Global Businesses

Short-term Risks to Global Businesses, Open-ended, Total Mentions



Q40. What are the top three areas that are the biggest risks for global businesses over the next two years? Please list below in order of biggest risk, where 1 is the biggest, 2 is the second, and 3 is the third biggest risk. (n=109)

GlobeScan's global public opinion Radar Survey (2022), showed that the proportion of the global population believing that climate change is a very serious challenge, continues to grow year on year, set against rising public concern about related issues such as biodiversity loss and freshwater shortages. This is reflected by Corporate Affairs leaders citing climate change as the second most-pressing risk, despite (or perhaps because of) the limited advances announced during COP27 in Egypt in 2022. Mirroring this is the importance of community relations and real stakeholder engagement, risks that are now seen as a significant focus for business.

'Maintaining our decarbonisation agenda [has become a critical goal]. [We also need to] enable governance that attracts and retains talent.'

Respondent from the UK

'[We should be] capitalising on climate change-related opportunities.'

Respondent from the UAE

'Need to map the gap between regulation and actual performance.'

Respondent from Denmark

Looking specifically at ESG issues, climate change is the most important ESG risk again for businesses. It is followed by net-zero carbon emissions and creating more inclusion and diversity within businesses which is a new mention this year but confirms a trend we have tracked since 2021.

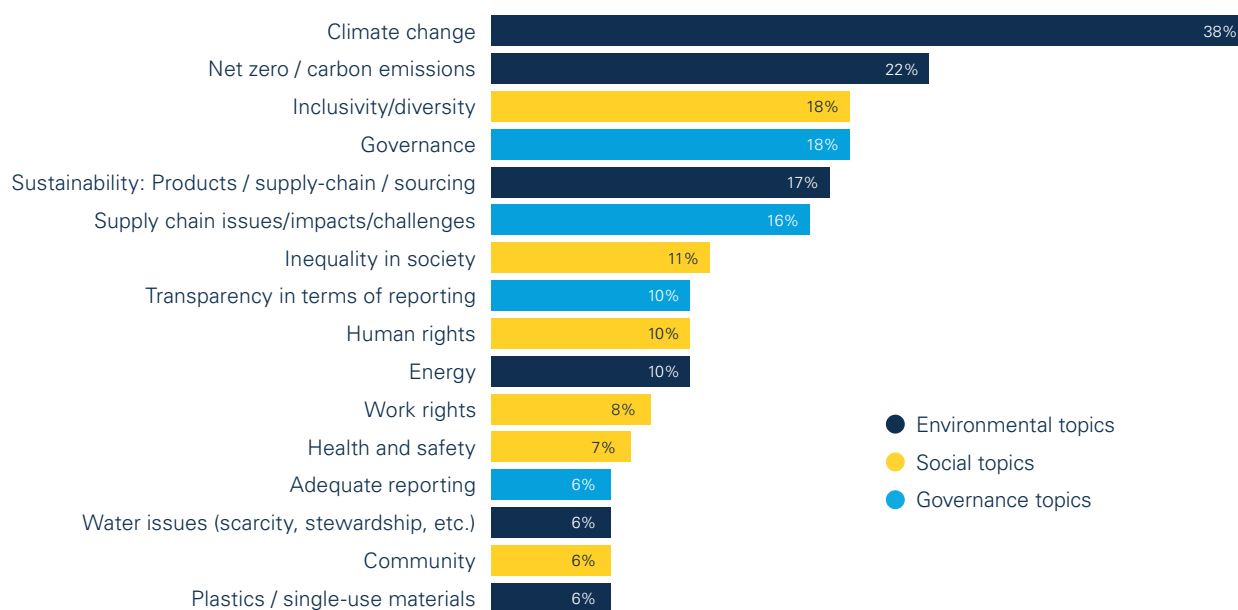
Whereas inequality in society had previously tracked highly, this year has seen it wane to be replaced by the business risks associated with the macro-economy, as the mounting weight of struggling economies affecting business rise as a concern. This replaces the much more tactical issue of supply chain management in third position.

On a similar tactical level, plastics and single-use materials have consistently lost relevance as a top ESG issue year after year since 2021. (See Figure 2.)

Figure 2

Top ESG Issues for Your Organisation

Top ESG Issues, Open-ended, Total Mentions (List up to three)



Q1.3 There is ongoing discussion on ESG (environment, social, and governance) issues for business. What are the top ESG issues for your organisation? Please list up to three ESG issues. (n=109)

Opportunities

Innovation, digitalisation, and AI is the most-cited area of opportunity for business, as developments in technology offer ever more efficient and personalised methods of engagement. These relatively definable opportunities exist in the context of much less predictable outcomes from the increasingly frenetic race to develop sophisticated AI chatbots (such as ChatGPT and Bing Chat) and broader iterations of generative artificial intelligence. (See Figure 3.)

‘Technology change [is an opportunity] – new green energy technologies driving down the cost of electricity and [encouraging] productive uses of AI.’

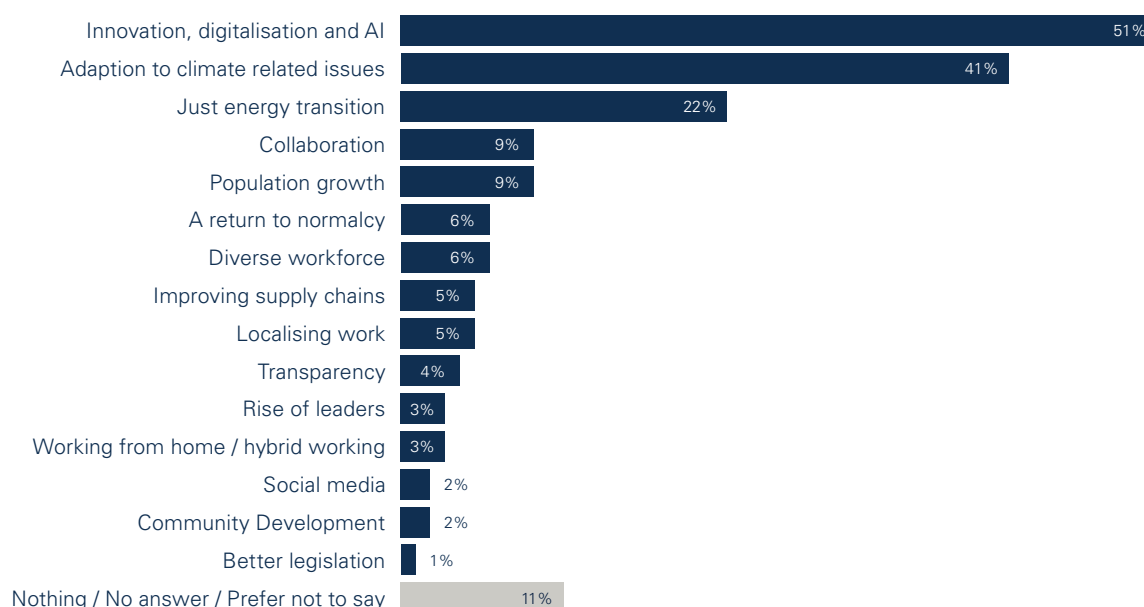
Respondent from UK

‘Emerging AI/technologies [can] improve productivity within the business.’

Respondent from India

Figure 3

Short-term opportunities to global business as identified by Corporate Affairs professionals
Short-term Opportunities for Global Businesses, Open-ended, Total Mentions



Q41. What are the top three areas you see that offer the biggest opportunity for global businesses over the next two years? Please list below in order of biggest opportunity, where 1 is the biggest, 2 is the second, and 3 is the third biggest opportunity. (n=109)

Second- and third-placed opportunities are seen to be those relating to adapting to climate change and a just energy transition. The maturation of the transition is opening up opportunities for companies, especially in the context of significant government investment such as the Inflation Reduction Act in the United States. Other opportunities are felt less keenly but those relating to collaboration and population growth are noteworthy.

‘Sustainability opportunities [exist] across the environment, human rights pillar; opportunities for companies to do good in the world and communities they operate in.’

Respondent from Singapore

4. Meeting the moment: trust and purpose

Finding an anchor in such turbulent waters is crucial, and both trust and purpose are helping to provide that stability.

Our findings show Corporate Affairs professionals believe that quality products and services is the strongest driver of trust in business, representing a

subtle shift to competence factors, followed closely by integrity and honesty and building stakeholder relationships. Culture, values, and relationships, which were more prominent in 2020–2021 and portray character attributes of organisations, slip down the order. (See Figure 4.)

Figure 4
Drivers of Trust in Business
Selecting 5 out of a possible 18 drivers



Drivers of trust in business

*In 2020 survey – #8 and in 2021 survey – #9

For the first time, trust is also predicated upon a company having a clear business model or strategy as a top-five issue, and this has seen a large jump in the rankings from previous years.

Once again, the character traits of an organisation – how you do things – are what drive this essential attribute. While capabilities and expertise are undoubtedly important, it is the character of a

business that truly drives trust. A company’s character encompasses its values, integrity, transparency, and commitment to a good cause. Customers and partners are increasingly drawn to organisations that demonstrate genuine care for their stakeholders and the broader society. Ultimately, a strong business character establishes the foundation upon which enduring trust is built, fostering long-term relationships and sustainable success. (See Figure 5.)

Figure 5
Drivers of Trust split into two: Character & Capabilities
Selecting 5 out of a possible 18 drivers

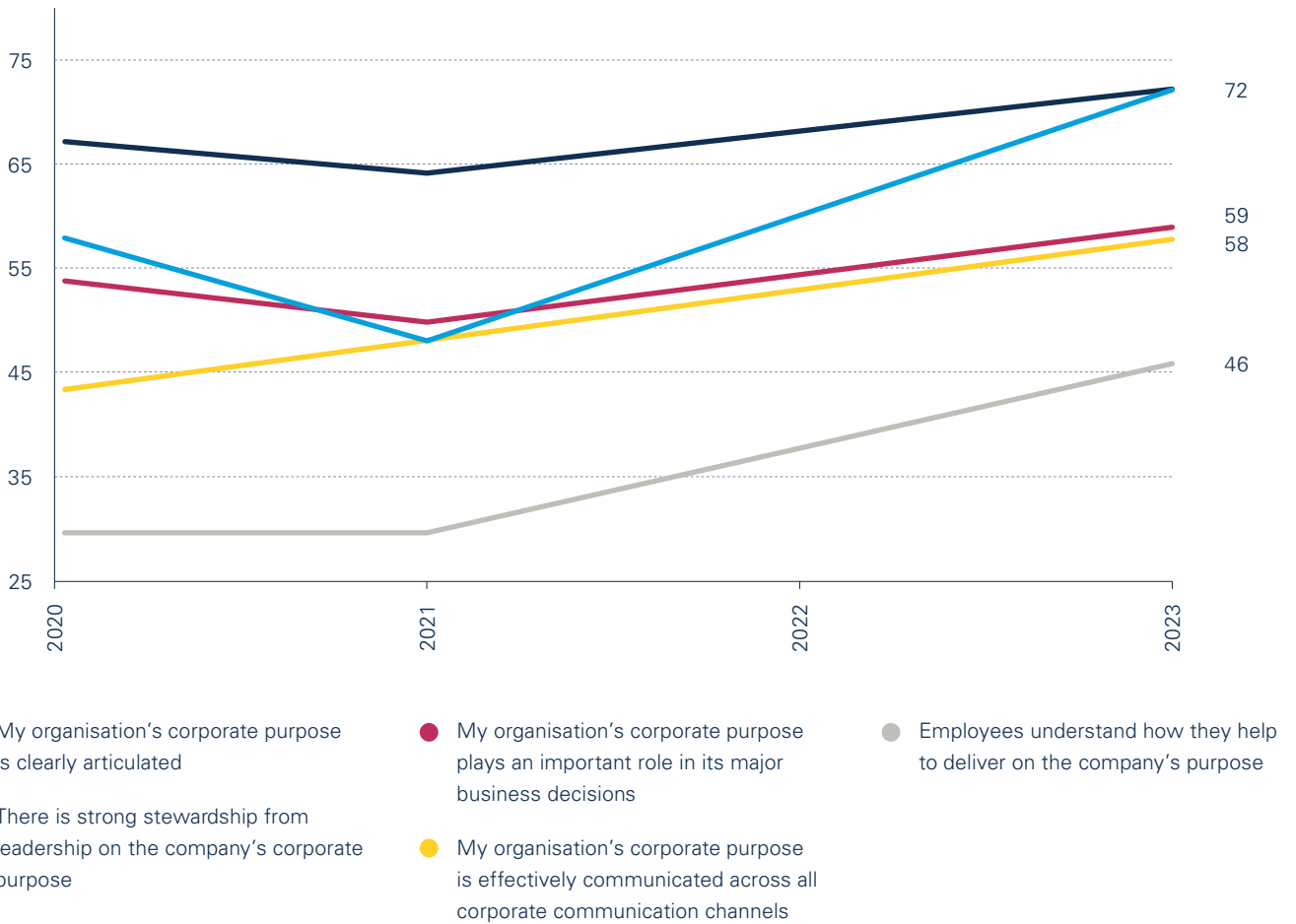


Q6. What do you think drives trust in your company today? Please select up to five. (n=109)

There has been further confirmation of the belief that societal expectations of purposeful leadership will continue to rise in the next three years. This is reflected by over 90 percent of professionals claiming that their organisations have an established corporate purpose in place, an increase of nearly ten percentage points over the last two years, while a further 3 percent say they are currently in the process of defining one.

The belief that there is both strong stewardship from leaders and an understanding by employees about how to deliver on corporate purpose have increased greatly since 2021. This is accompanied by a rise in the perception that organisational purpose plays an important role in major business decisions, a strong signal that purpose is increasingly seen to be at the core of planning. (See Figure 6.)

Figure 6
Attitudes on Corporate Purpose
'Strongly Agree' (6+7 on a 7-point Scale)



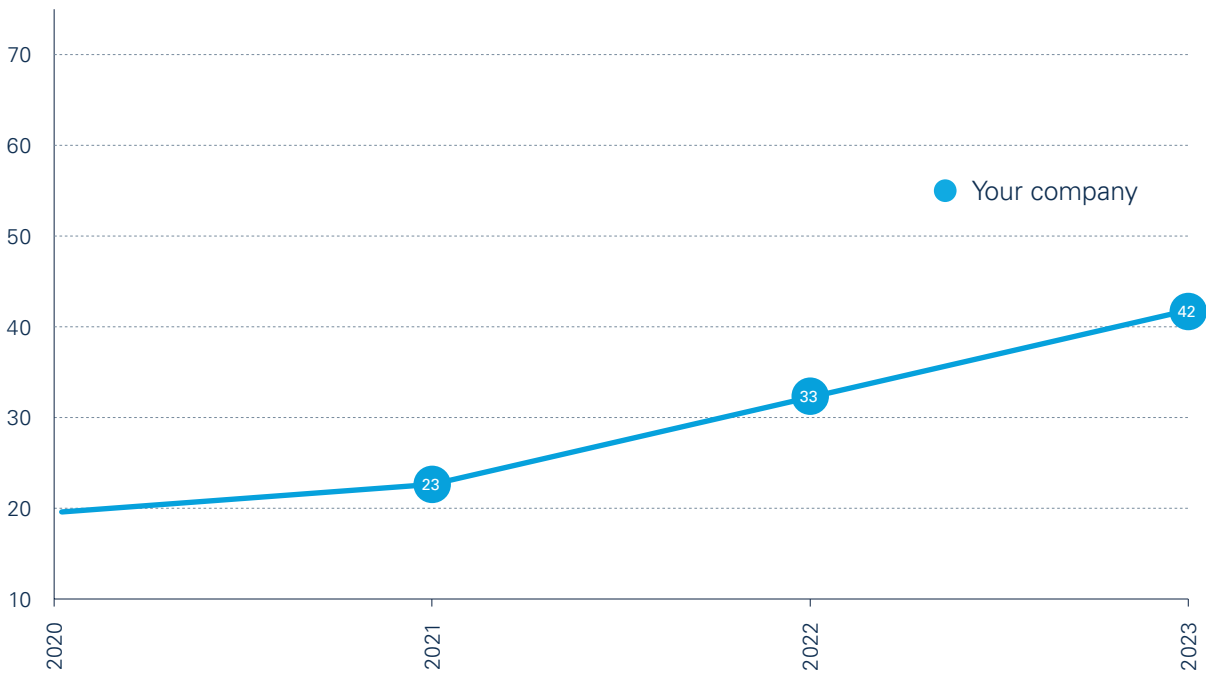
Q7.2 To what extent do you agree or disagree with each of the following statements related to your company's corporate purpose?
 Please move the slider to the point on the scale corresponding with your opinion. Subsample: Asked only to those who have a corporate purpose or are in the process of defining one. (2020 n=202; 2021 n=228; 2023 n=109)

5. Evolving expectations: populism, advocacy, and greenwashing

Within the broader category of geopolitical risk and uncertainty, political populism and polarisation continues to concern leaders and the perception of risks in these areas has grown over the last four years.

Currently, 54 percent see this as a high risk to business in general, but a remarkable 42 percent see it affecting their own company – a doubling of concern since 2020. (See Figure 7.)

Figure 7
Risk of Political Populism to Your Company
'High Risk' (6+7 on a 7-point Scale)



Q2.1 There has been increasing attention paid to political populism across the world, and to a growing trend toward polarisation within society. To what extent do you consider this evolution to be a risk for... ? (2020: n=195; 2021: n=228; 2022: n=221; 2023: n=109)

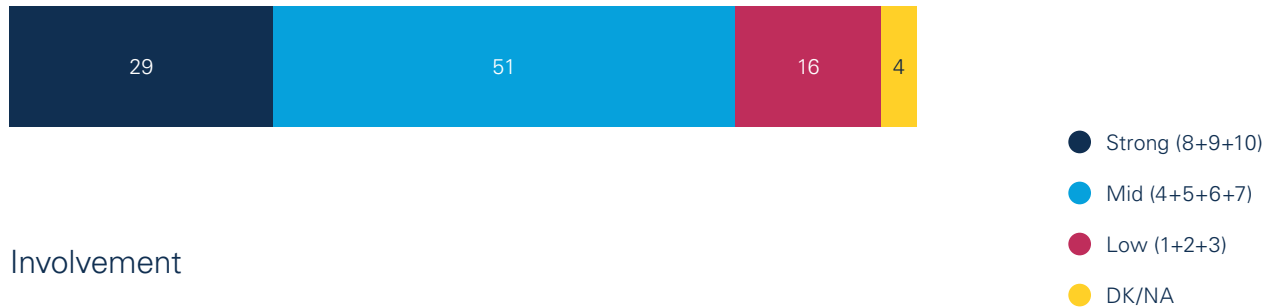
Whereas leaders had previously expressed a growing belief that companies should be more proactive in their advocacy to address and help mitigate these risks, enthusiasm has waned, a trend mirrored by opinions of how it applies to the appetite of respondents' own organisations. However, since both remain at higher

levels than in 2021, perhaps this is more of a pause than a retrenchment. Nevertheless, appetite is one thing but actual activity is another: twenty-nine percent of Corporate Affairs professionals have a strong appetite for corporate advocacy, but only 18 percent of organisations are actively involved in it. (See Figure 8.)

Figure 8

Value-action gap – Appetite for Corporate Advocacy and Active Involvement in Corporate Advocacy
Selecting out of a 10-point Scale

Appetite



Involvement



Q2.3_1 How would you describe your organisation's appetite for corporate advocacy (sometimes referred to as corporate activism)? (n=108)

Q2.3_2 How would you describe your organisation's level of active involvement in corporate advocacy (sometimes referred to as corporate activism)? (n=107)

'This is very tricky for business currently. There was a big push for companies to be the champion of social issues when the government in the US was not trusted or in a position to lead social discussions and engagement. Now, companies are starting to see blowback by accusations around being 'woke.' They very carefully need to identify and act on the issues they are in a credible position to weigh in on, but now that ESG has been 'politicised,' it is very risky.'

Respondent from the USA

'[There is a] belief that business participation in multilateral international organisations is inherently wrong and corrupting.'

Respondent from the USA

So, what topics should companies advocate on generally? The research shows that environmental issues including climate change and clean water, and social themes including diversity, equity, and inclusion followed by social inequality and human rights are the top themes businesses should advocate on more meaningfully. (See Figure 9.)

'Education and skills development to enable a Just Transition Infrastructure (water, energy, rail) which will enable economic development and investment. Safety and security.'

Respondent from South Africa

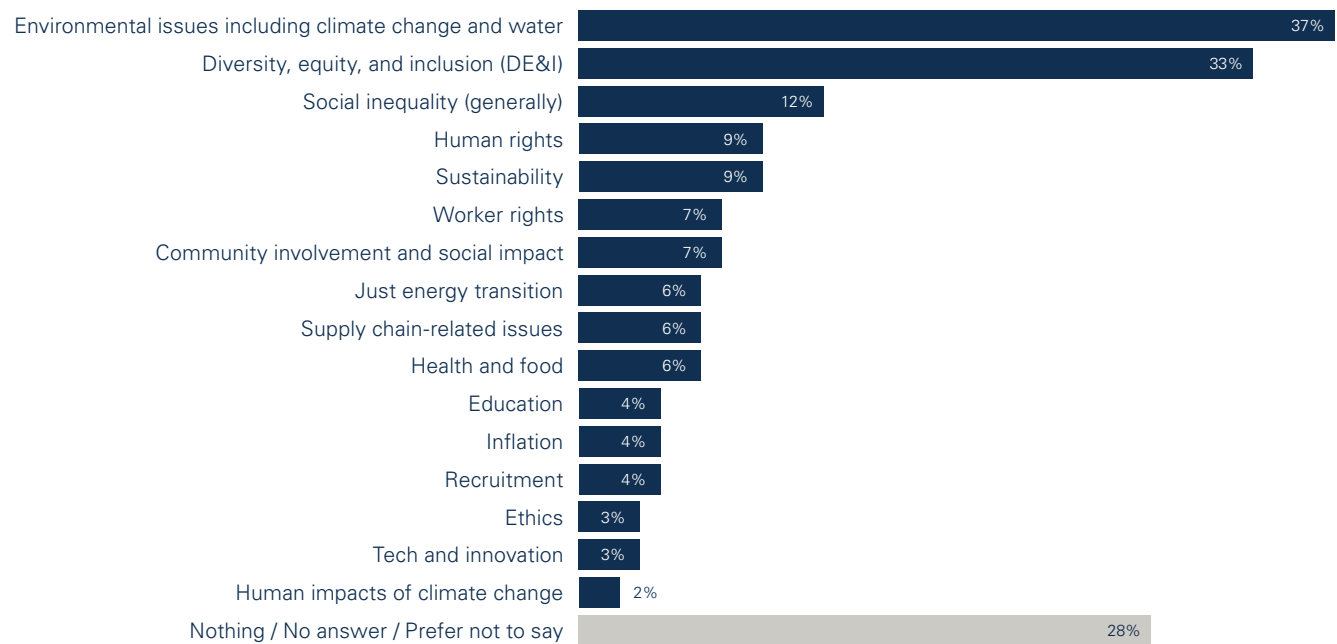
'Circular economy, climate change, wellbeing, infrastructure.'

Respondent from Japan

'Polarisation. Encouraging and hiring a diverse workforce should lead to cooperation and understanding.'

Respondent from the USA

Figure 9
Societal Themes Businesses in General Should Advocate On
Open-ended, Total Mentions



Q43. Please list the societal themes that you believe business in general should have a voice on and be able to meaningfully contribute to. (n=109)

Some companies are *planning* to advocate on issues:

'Education and skills development to enable a Just Transition Infrastructure (water, energy, rail) which will enable economic development and investment. Safety and security.'

Respondent from South Africa

'Circular economy, climate change, wellbeing, infrastructure.'

Respondent from Japan

'Polarisation. Encouraging and hiring a diverse workforce should lead to cooperation and understanding.'

Respondent from the USA

While others are *actively engaged* in advocacy:

'Health and food for all, African small farmers' contribution to food security.'

Respondent from France

'Energy transition, support for low-carbon energy infrastructure and fuels, responsible sourcing of commodities and energy, human rights in the supply chain, responsible mining.'

Respondent from Switzerland

'Precariously employed. Late career discrimination. Gender inequality.'

Respondent from Denmark

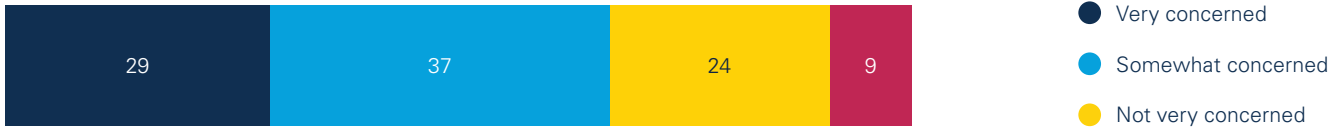
One major constraint on both appetite for and engagement in advocacy is the potential charge of ‘greenwashing’ that can result. In 2022, 53 percent of respondents were concerned about accusations of greenwashing and this year that number has jumped to two in three respondents at 66 percent. This

increase is unsurprising given the greater scrutiny from regulators in key jurisdictions and some high-profile rulings against companies, including H&M, HSBC, Shell and others.

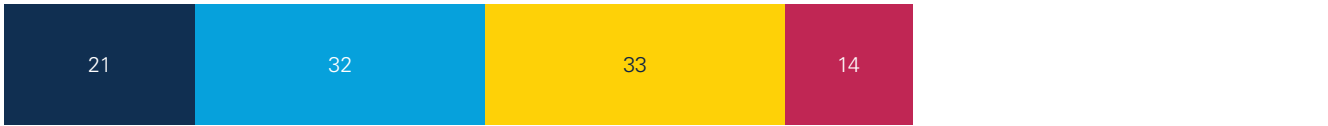
(See Figure 10.)

Figure 10
Concern about Greenwashing Allegations
Selecting out of a 5-point Scale

2023



2022



Q23. How concerned are you about your organisation being accused of greenwashing (that is, over-communicating or exaggerating about social and environmental commitments or performance)? (2022: n=221; 2023: n=107)

Where companies have been accused of greenwashing, these accusations have resulted in an increased focus on social and environmental performance. In some cases, however, it has driven a retreat from direct involvement and a move to intermediating future communications on such work.

The conundrum in all of this is that while businesses say it is important to have a voice on important issues, the actual appetite to follow through is low. The issue of opaque metrics and proof points in judging effectiveness may have a role to play here.

6. Building capacity: evolution of the Corporate Affairs function

At no time since the start of this study have pressures on organisations from geopolitical risk and uncertainty, ESG, macro-economic headwinds, and populism and polarisation been greater. And at no time has the Corporate Affairs function been more important in helping to think through and act on strategies that not only mitigate these risks and achieve business goals but that do so by satisfying the entire array of stakeholders who interact with – or feel they have a right to interact with – their company.

Unsurprisingly then, when it comes to the extent to which roles in Corporate Affairs have evolved, capturing the social context in which business operates – a skill set unique to the Corporate Affairs function – has doubled in prominence since 2021. Together with addressing climate change risk and managing risks to an organisation’s reputation, these are once again seen as the top three responsibilities of the function, each rising over ten percent since last year. Similarly, mapping, prioritising, and engaging with stakeholders and their issues have also seen a steep increase over the last three years with increased mentions of responding to activist shareholders. This stakeholder focus seems to come at the expense of internal communications which has fallen dramatically in the ranking.

‘Corporate Affairs is good at mitigating expectations of shareholders in difficult times (i.e., pollution, company financial performance, war, the energy crisis). It is also essential when developing a compelling narrative for our employee engagement during these same difficult times. It also facilitate[s] government relations and lobbying which has a direct impact on both the top and bottom line, especially in countries where the government decides the economic agenda.’

Respondent from the UAE

With these responsibilities and the attention they generate, combined with the raised profile attained during the pandemic, comes the perennial question of how well the function supports business strategy and, therefore, value. Over nine in ten practitioners agree that the Corporate Affairs function has an important impact on business value creation and protection – a significant increase from 2021 and an indicator of the role’s established organisational position and its growing maturity. (See Figure 10.)

When probed on the reasons behind this, the biggest impact of Corporate Affairs is on playing a central role in protecting and promoting reputation, keeping the organisation connected to stakeholders, and building communication strategies across key strategic business initiatives.

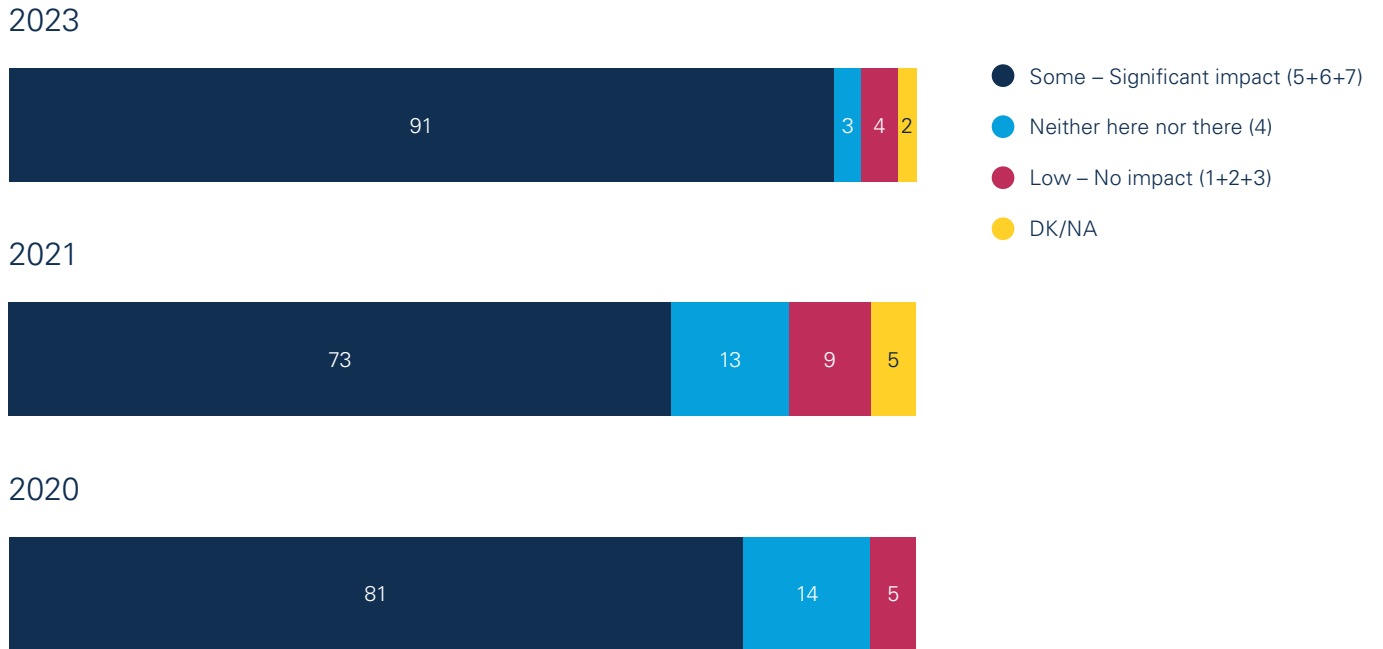
‘The CA function combines at least three main roles: 1) reputation protector; 2) strategist and storyteller; 3) growth driver. They are agents of change, they embrace complexity, they work with data to support their recommendations, they create movements and create momentum.’

Respondent from Brazil

‘Increasingly less about ‘protecting’ value – although this remains important, and more about ‘creating’ value. In particular, helping to look beyond the immediate horizon to identify opportunity/material risks faced by business, anticipate key challenges business is likely to face (which often come with a financial cost).’

Respondent from the United Kingdom

Figure 11
Impact of Corporate Affairs Function on Creating and Protecting Business Value
Selecting out of a 7-point Scale



Q12.2 And thinking about your organisation, how would you rate the impact that Corporate Affairs has on creating and protecting business value? (n=104)



7. Respondents and methodology

This is the fourth annual Oxford-GlobeScan Global Corporate Affairs Survey. It was conducted online between 16th February and 28th March 2023 and the data collected provide a view of evolving sentiment during the last year. A sample of 109 Corporate Affairs, Corporate Communications, and related practitioners participated in the survey.

The realised sample is representative of the broader Corporate Affairs function globally. Participants from 31 countries and all main sectors completed the survey.

Figure 12
Regional distribution of sample

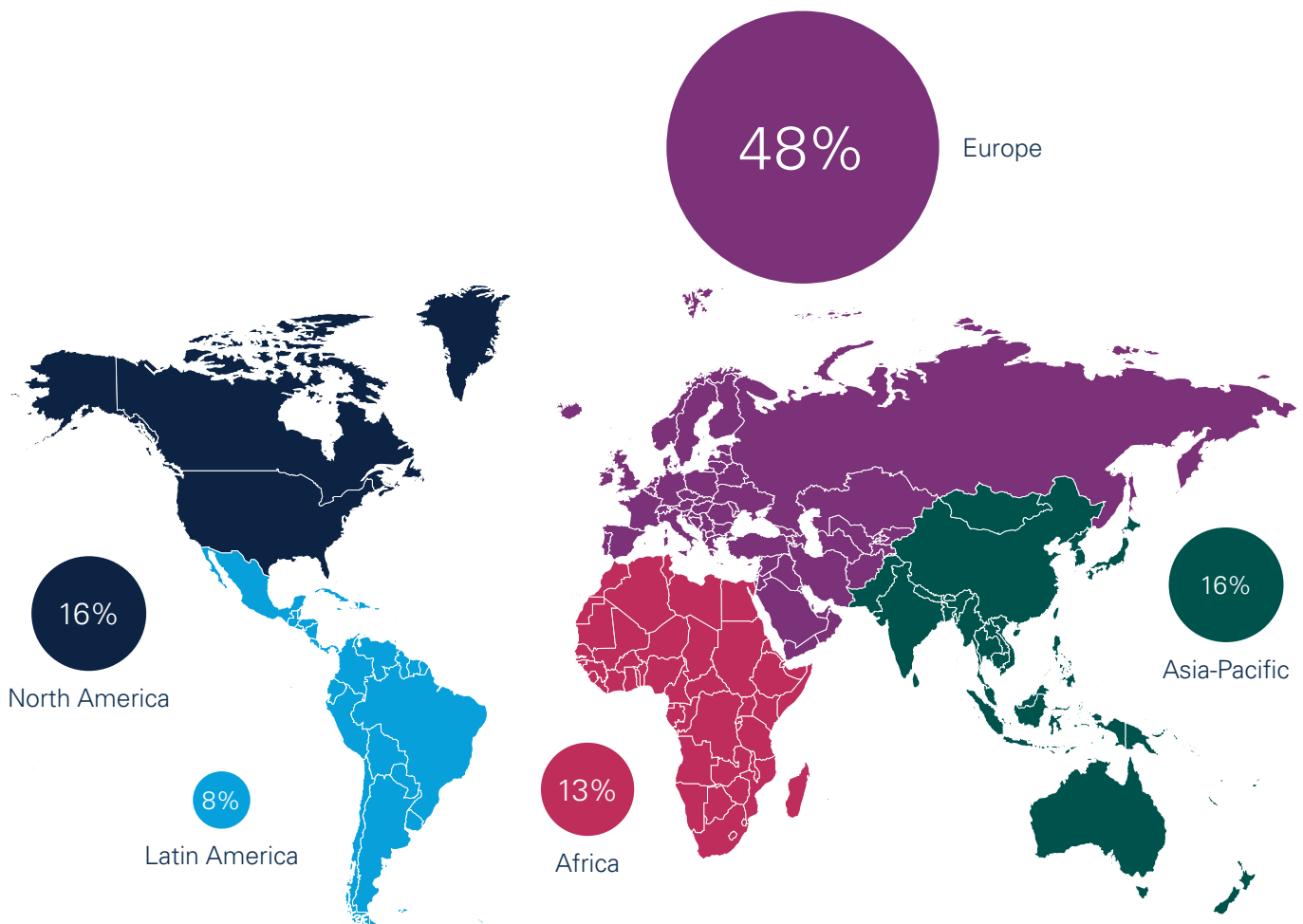


Figure 13
Sample distribution by sector

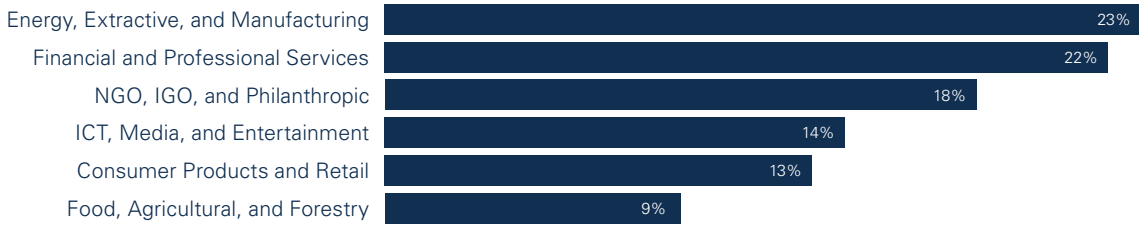


Figure 14
Sample distribution by gender

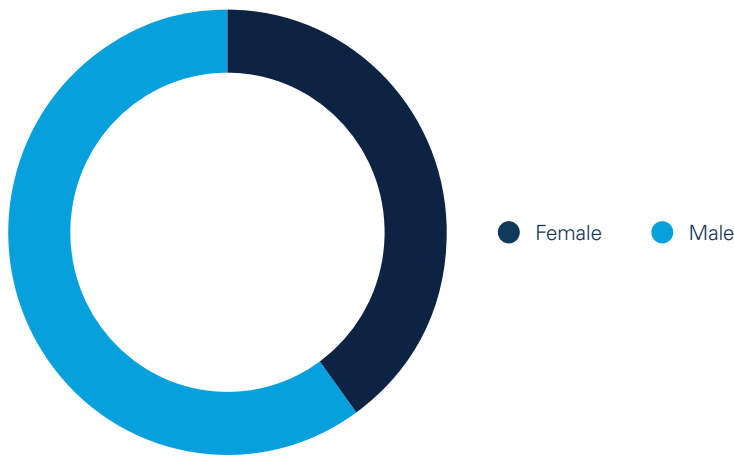
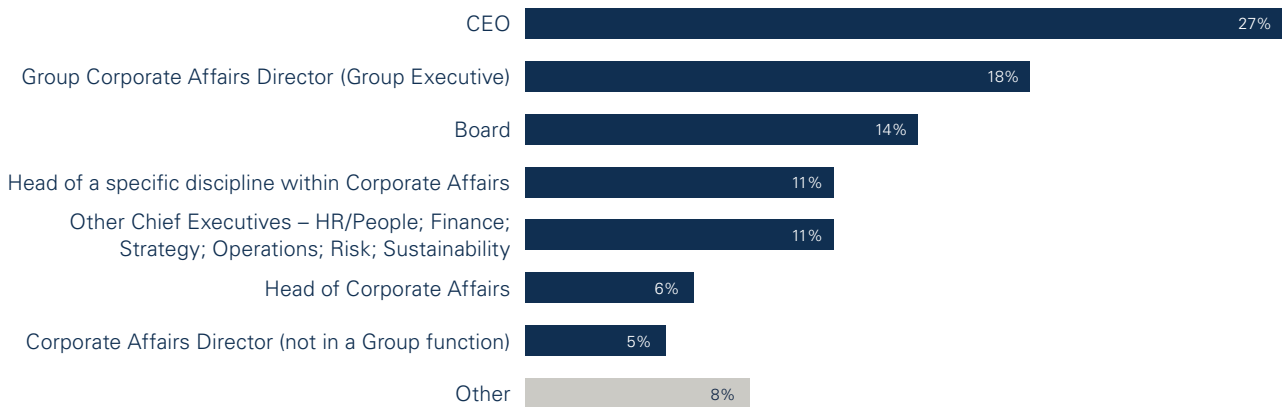


Figure 15
Sample distribution by reporting line



8. Research partners

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 a number of virtual sessions in the lead-up to a week of on-campus interactive presentations, seminars, and workshops. Each Academy 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

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

GlobeScan

A global insights and advisory consultancy working at the intersection of brand purpose, sustainability, and trust. GlobeScan helps decision-makers know their world and create strategies to lead a sustainable and equitable future. Established in 1987 and with offices in Cape Town, Hong Kong, Hyderabad, London, Paris, San Francisco, São Paulo, Singapore, and Toronto. 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. GlobeScan also offers advisory services to Corporate Affairs and Corporate Communications teams.

For further information, contact Anneke Greyling, Director at Anneke.Greyling@GlobeScan.com

www.globescan.com

The GlobeScan contributors are:

Chris Coulter,
CEO

Anneke Greyling,
Director Africa

Stacy Rowland,
Director Public Relations and Communications

Leeam Goss-Layani,
Senior Project Manager

Curran Cunningham,
Research Manager



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

Thanuja Perera-Childs

[**thanuja.perera-childs@sbs.ox.ac.uk**](mailto:thanuja.perera-childs@sbs.ox.ac.uk)

+44 (0) 7713089618

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

Anneke Greyling

[**anneke.greyling@globescan.com**](mailto:anneke.greyling@globescan.com)

[**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)

GlobeScan
250 The Esplanade
Suite 116, Toronto,
M5A 1J2, Canada
[**www.globescan.com**](http://www.globescan.com)

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

© 2023 Saïd Business School