



The Worldcom Confidence Index 2020



WORLDCOM
Public Relations Group
The Local Advantage. Worldwide.



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What a difference a pandemic makes

Words like unprecedented and cataclysmic have been used to describe the impact of the COVID-19 pandemic. The effects have been felt everywhere. With social, commercial, political and personal environments changing daily, there has never been a greater need for insight into where leaders need to focus their attention and action. The global 2020 Worldcom Confidence Index (WCI) shows which topics CEOs and CMOs are most engaged with and measures their levels of confidence or concern in handling them as they face 2021.



Comments by **54,314 CEOs and CMOs** worldwide were analysed to determine their levels of confidence or concern on various topics



Leaders from **36 countries** and comparisons for 15 studied



Breakthrough **Artificial Intelligence (AI)** used to create a truly representative understanding of what audiences are saying



Business leaders from **7 of the world's largest economies** included

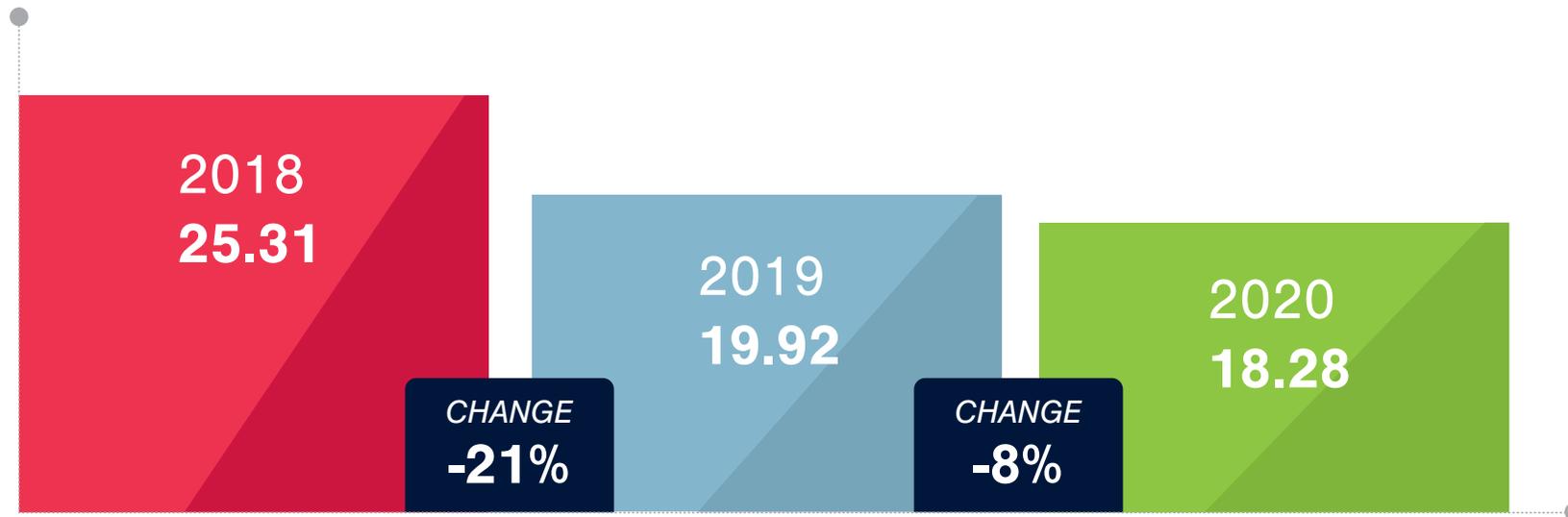


Leaders confidence down 8%

The levels of uncertainty and challenges have had a negative impact on the confidence of business leaders since 2019.

The overall WCI confidence score, which ranks confidence across demographic categories, audiences and topics, has dropped by 8% since 2019, continuing the downward trend since 2018.

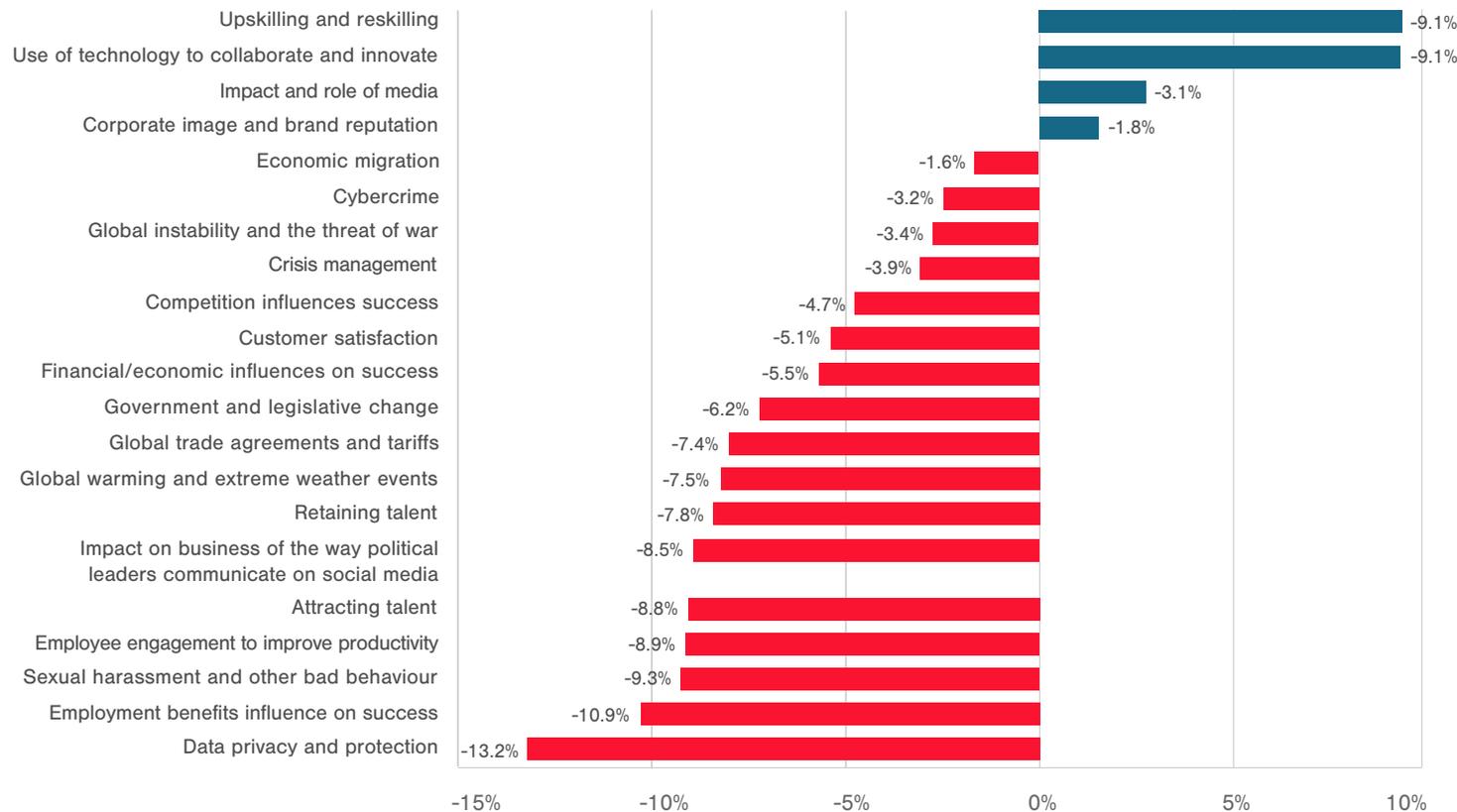
CHART 1
GLOBAL CONFIDENCE INDEX SCORE



The pandemic drove down overall confidence and leaders' confidence in 17 (out of 21) topics saw a decline

Leaders' confidence only increased for four topics from the September 2019 level. These were upskilling and reskilling, the use of technology to collaborate and innovate, the impact and role of the media, and corporate image and brand reputation.

CHART 2
CHANGES IN CONFIDENCE LEVELS IN TOPICS FROM 2019 TO 2020



The four topics to see an increase in confidence, point to where leaders feel the battles for success after COVID-19 will be won and lost – people skills, innovation and brand reputation.



The impact and role of media

With many people working from home during the pandemic, media consumption has increased significantly.

There was a significant increase in both watching and listening to news channels in 2020. A Forbes article is a timely reminder of the need to have a local, national and international brand strategy. The article highlights that 64% of consumers used local news sources, closely followed by national news sources (58%) and, 22% tuned in to international news channels. This hunger for news represents both an opportunity and threat to organisations and it will take careful planning and execution to ensure that reputations are enhanced during these challenging times.

CHART 4
**CONFIDENCE
 IN THE IMPACT
 & ROLE OF MEDIA**



Confidence in the impact and role of the media increased since 2019. In fact, this topic moved from last place in 2019 to #10 on the WCI in 2020.

Read Forbes:
 How The
 Pandemic
 Changed At
 Home Media
 Consumption

Confidence in employee issues falls, while upskilling and reskilling bucks the trend

Business leaders' confidence in all but one employee-related topic has fallen since 2019.

Retaining talent (down from #4 to #7), improving productivity through employee engagement (down from #3 to #8), attracting talent (down from #5 to #9), and employment benefits (down from #6 to #17), all moved down the 2020 confidence list.

CHART 5
2020 WORLDCOM CONFIDENCE INDEX BY TOPICS



*The pandemic caused businesses to shed jobs at a **record pace**. And leaders are clearly focusing on how to ensure they retain the best talent as this topic has become the #2 focus for leader engagement since the 2019 report.*

Read 'Unlock the power of employees to drive success through the COVID-19 crisis'.

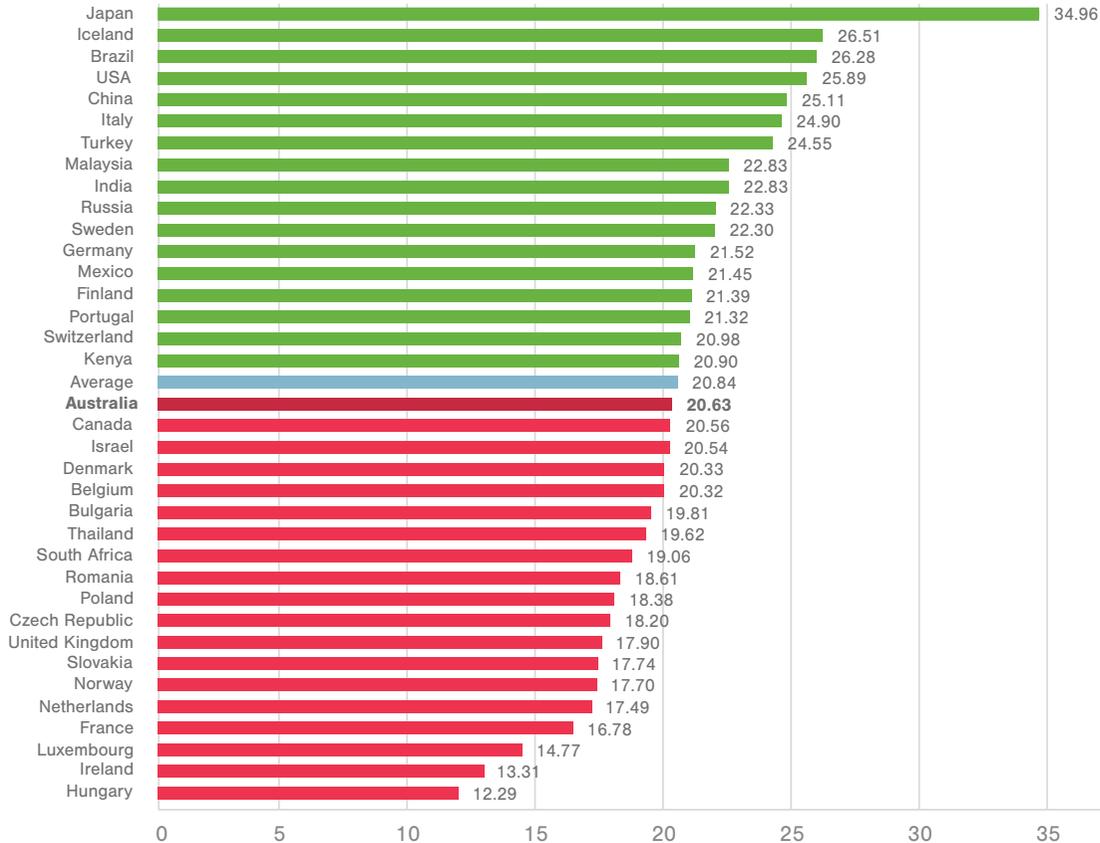


Upskilling and reskilling is the #1 topic for leader attention and confidence

The pandemic seems to have increased leaders' confidence about where they should focus their efforts to upskill and reskill people.

This topic is up 15 places on the WCI, from #16 in 2019 to #1 in 2020, making it the topic leaders are most confident about. It is now the only employee-related topic in the top six, compared to three in the top six topics of confidence in 2019.

CHART 6
CONFIDENCE IN THE ABILITY TO UPSKILL & RESKILL EMPLOYEES BY COUNTRY



Upskilling and reskilling is the topic that had the highest level of leader engagement in the last year. As jobs are transformed by the technologies of the fourth industrial revolution, more than one billion jobs (almost one-third of all jobs worldwide), are likely to be transformed by technology in the next decade, according to OECD estimates.

Australian business leader's are below the global average in their confidence in upskilling and reskilling employees.



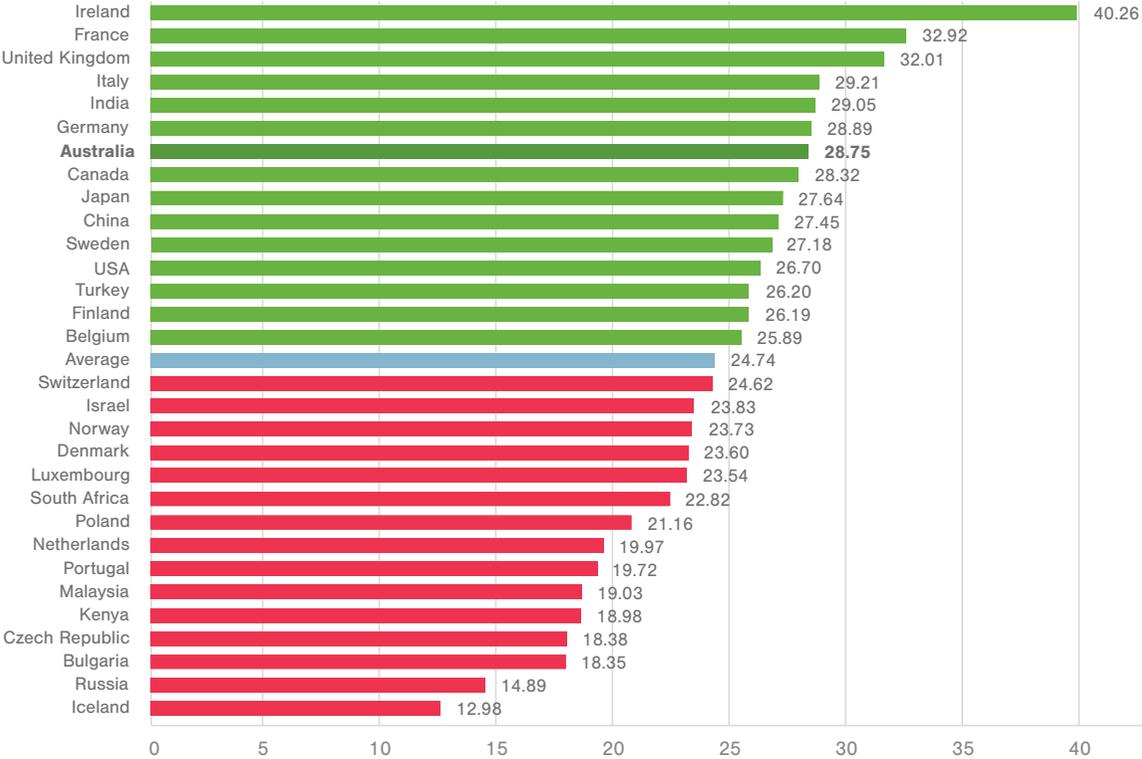
Confidence in the use of technology to collaborate and innovate increases

Confidence in the use of technology to collaborate and innovate has moved up 16 places to #2 in the confidence list.

The Covid-19 emergency has accelerated the use of online communications applications such as Zoom or Microsoft Teams, with firms including **Fujitsu** and **Twitter** already announcing plans to make remote work a permanent option, even after the pandemic. Despite the confidence in technology to collaborate, the worldwide shift to home working during the pandemic seems to be affecting leaders' confidence in data privacy and protection. This topic has fallen 13 places from #1 in 2019 to #14 in 2020 and now has below average confidence.

Download and read our full Insights paper on how to manage your reputation with a data breach

CHART 7
CONFIDENCE IN THE USE OF TECHNOLOGY TO COLLABORATE AND INNOVATE



Government and legislative change drive leader engagement

The pandemic has driven the biggest increases in leader engagement. Government and legislative change increased 79% from the 2019 level and crisis management is up by 40%.

Both topics remained in the top five topics of concern (lowest confidence) along with global trade agreements and tariffs, the impact on business of the way political leaders communicate on social media, and sexual harassment and other bad behavior.

CHART 8
TOP 10 INCREASES IN LEADER ENGAGEMENT

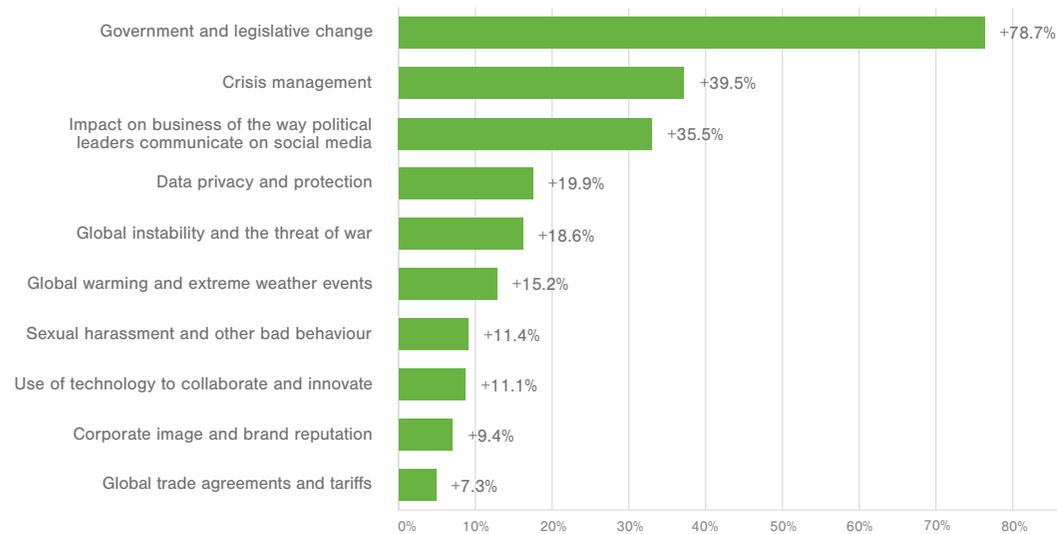
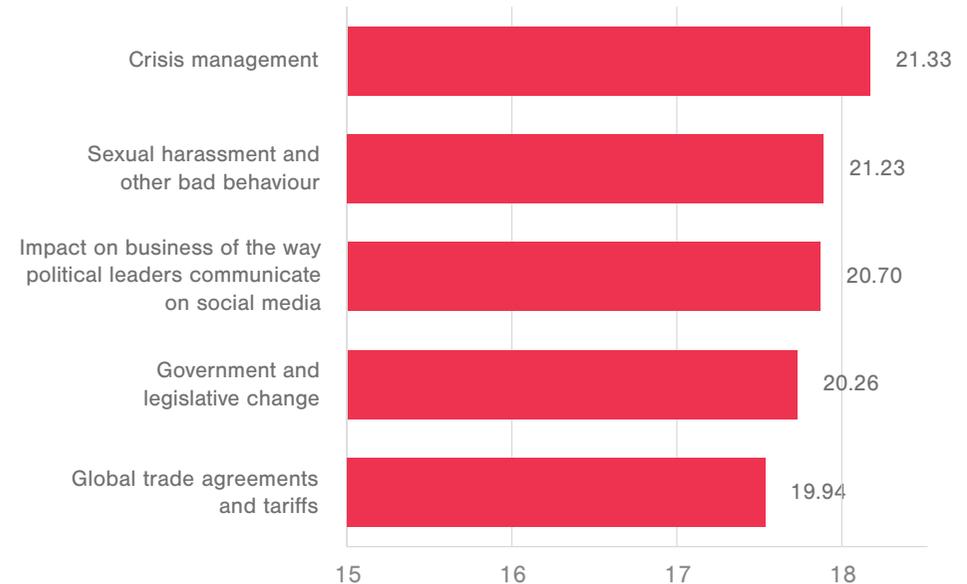


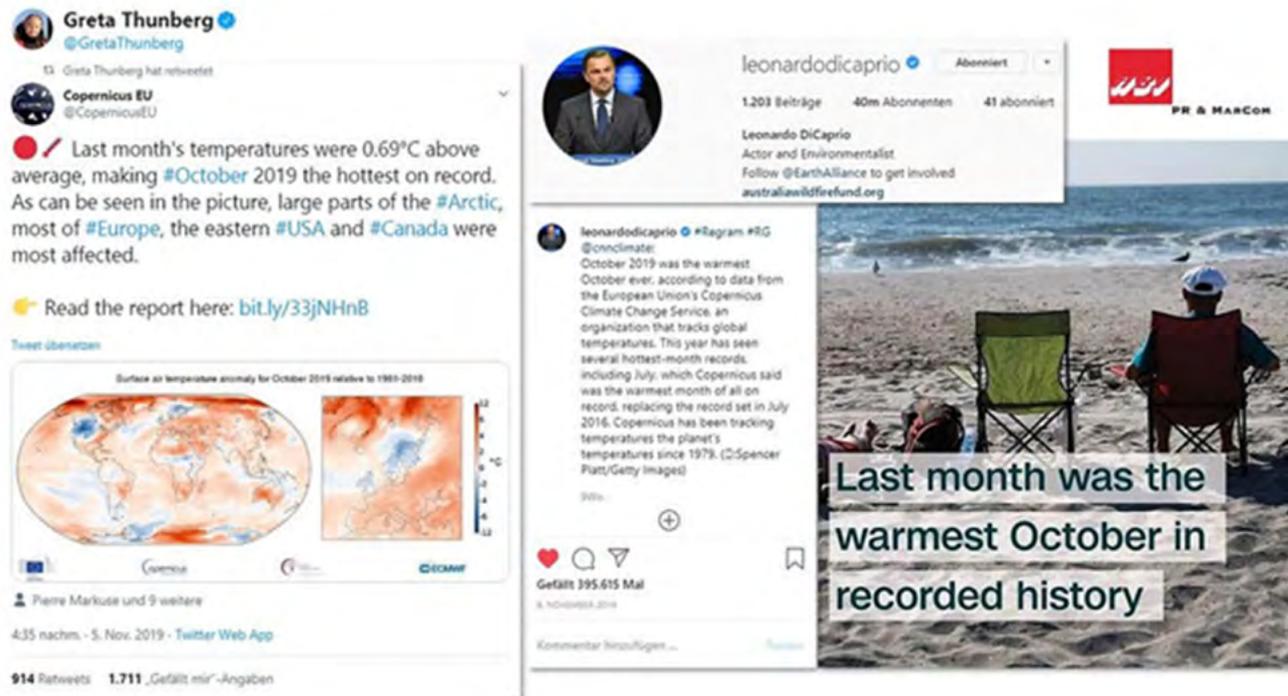
CHART 9
TOP 5 TOPICS OF CONCERN - LOWEST CONFIDENCE



Leaders focus on long term challenges to protect and enhance reputation

Reducing plastics and other sustainability issues is the #4 leaders' focus in 2020 as measured by leader engagement.

The engagement with the topic of global warming and extreme weather conditions has also increased 15% since 2019. Inspired by a young Swedish climate activist, Greta Thunberg, four million people joined the global climate strike on September 20, 2019, in what was the largest climate demonstration in human history. Greta was later named Time's 2019 Person of Year.



The USC Annenberg's 2020 Global Communication Report identified that this new generation of activists, disillusioned with government action, is employing modern public relations tools to raise awareness of a broad spectrum of social and environmental issues. The study also found that what it calls "New Activists" are aligned with PR professionals in the belief that the best strategy for creating long-lasting change is not protesting but voting.

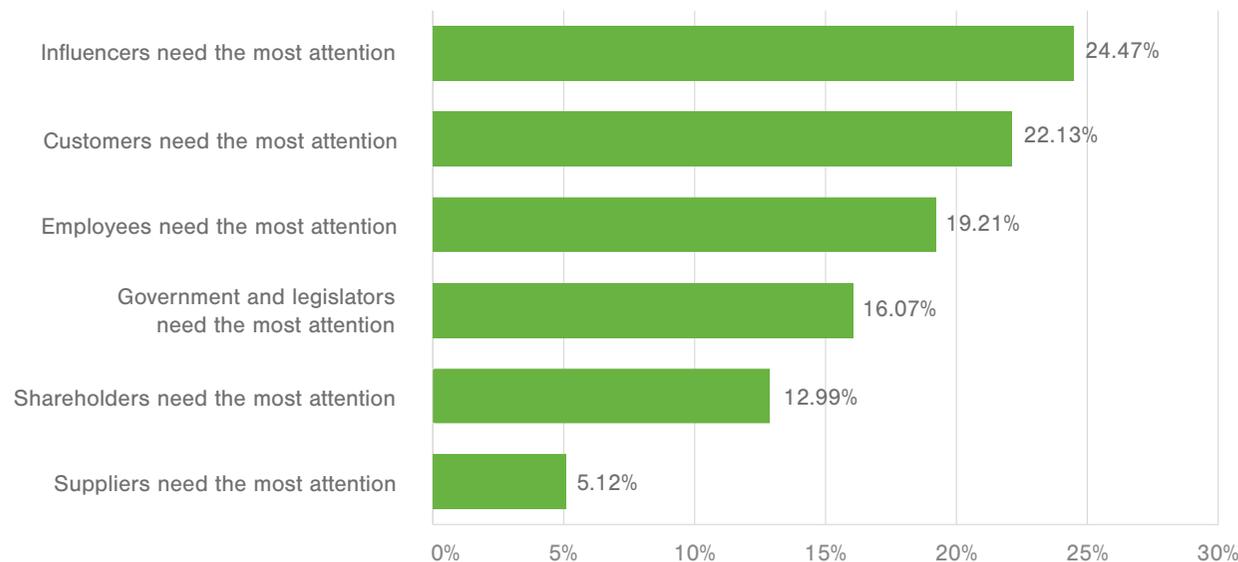
The steady stream of climate data from the EU's Copernicus climate project means this issue is likely to remain front of mind for leaders and consumers alike. As a result, organisations will need to communicate how they are addressing sustainability issues if they want to protect and enhance their reputation and build brand loyalty.

Opinion leaders and influencers remain #1 audience for leaders

The WCI monitors which audiences are seen as the most important by leaders. Influencers & opinion leaders remained the #1 audience, and confidence in handling them surged by 51%.

As with many things, **COVID-19** also changed the make-up of influencers. A report entitled “**The New Influencers**” from Marie Stafford, draws attention to ordinary people being displayed on the covers of magazines as opposed to celebrities or models.

CHART 10
LEADERS' ENGAGEMENT LEVEL FOR AUDIENCES



Read 'How to utilise authentic influencers: post Covid-19 recovery'.

Read 'Call out culture'.

Read 'The New Influencers'.

Confidence rises globally

Australian business leaders are the fourth most confident on a global scale. U.S. tops the WCI in 2020. Japan, which was the #1 country in 2019, dropped 8 places to #9 in 2020. India features at #2 and the U.K. at #3 on the WCI. The countries with the lowest confidence of the 36 featured in the WCI are Mexico, Hungary and Thailand. North America is now the most confident region, up from #5 in 2019. It is the only region to increase in confidence since 2019. LATAM and Africa remain the least confident regions.

CHART 11
GLOBAL CONFIDENCE BY COUNTRY

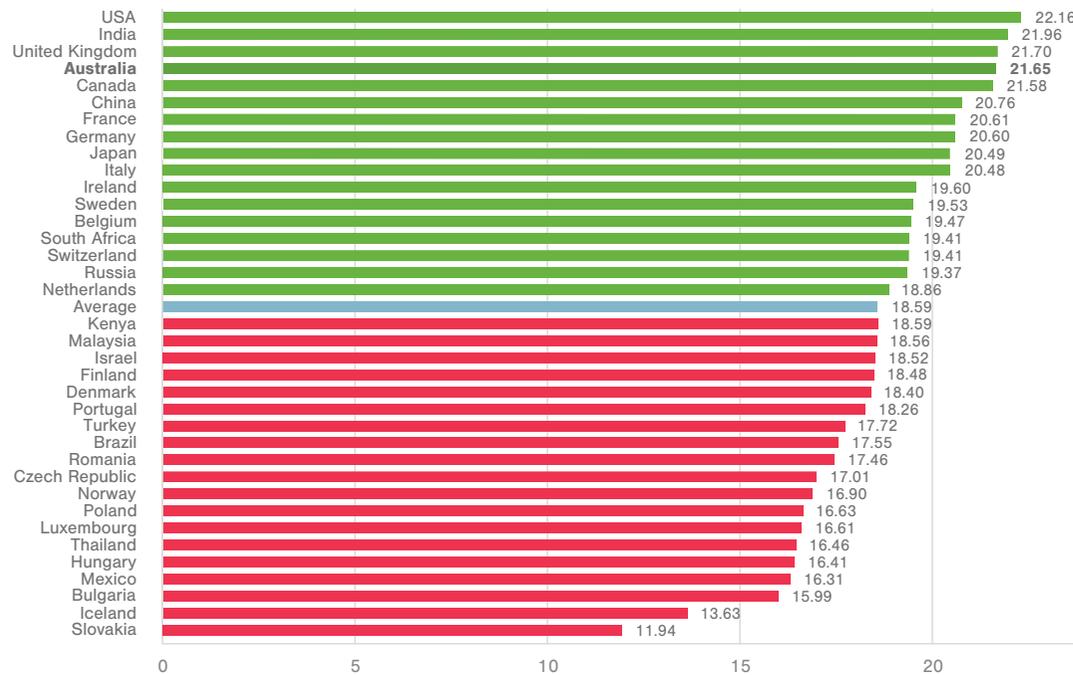
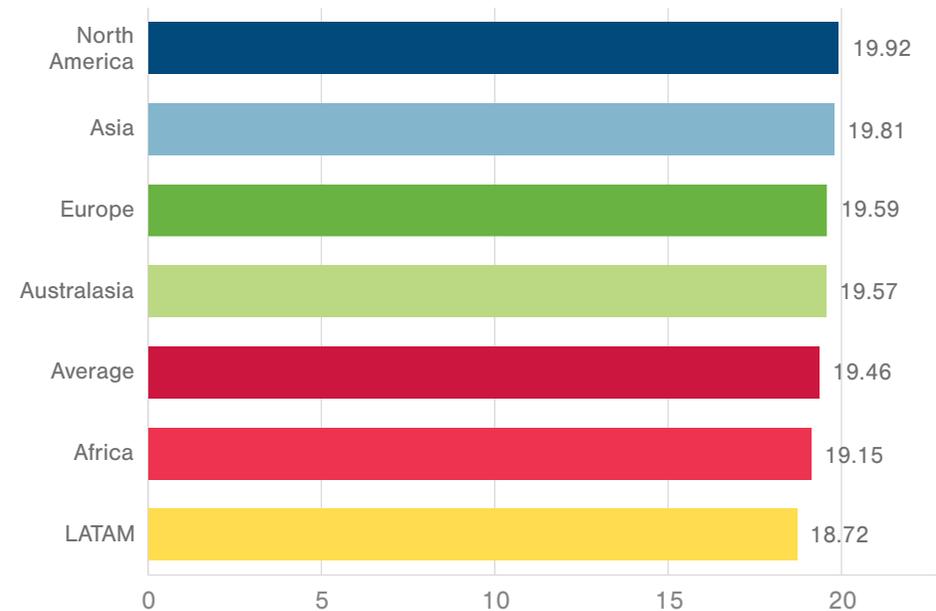


CHART 12
GLOBAL CONFIDENCE BY REGION

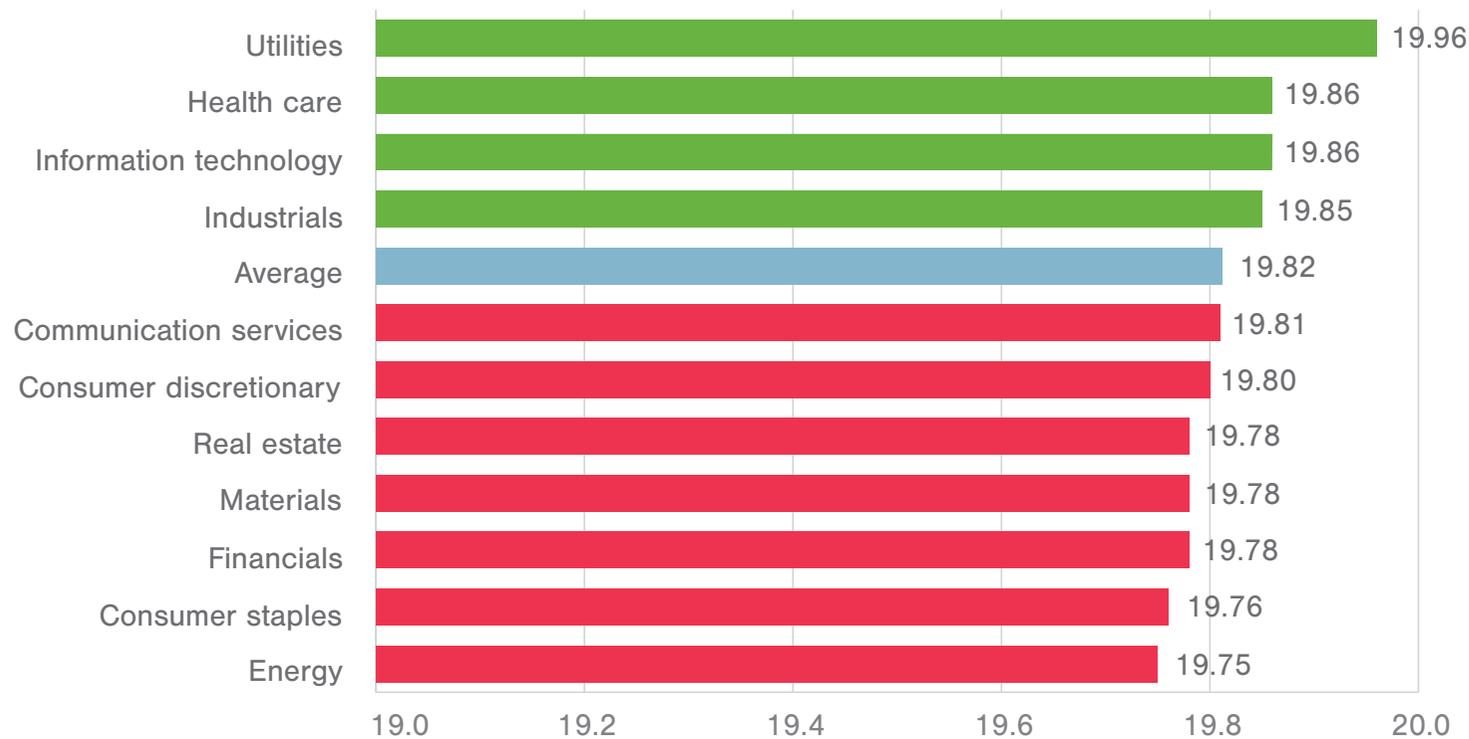


Industry winners and losers of the pandemic

The confidence scores for the 11 industry sectors in the WCI indicate which sectors may be most negatively affected by the pandemic and beyond. The energy sector has the lowest confidence level.

Sectors like IT, which performed strongly as organisations shifted the way they operated during the pandemic, have higher confidence.

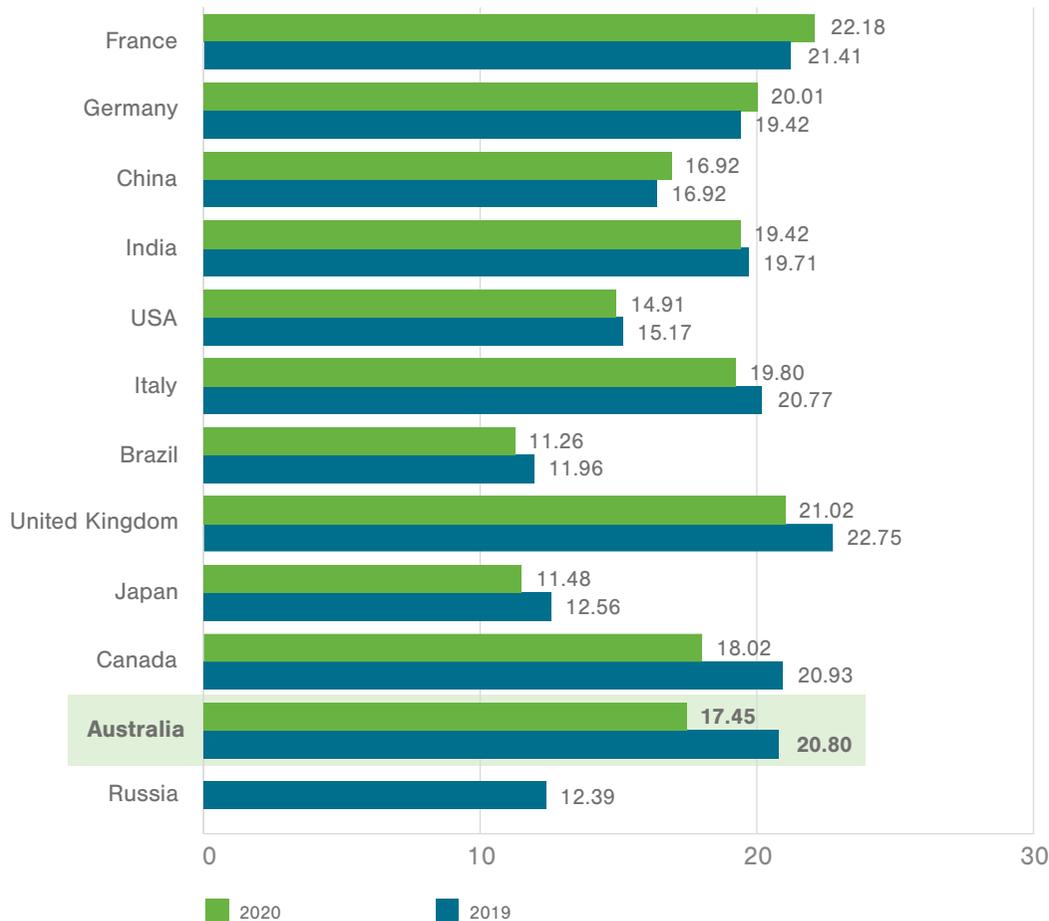
CHART 13
GLOBAL CONFIDENCE BY INDUSTRY



Consumer staples, where organisations have struggled with supply, have lower confidence than the consumer discretionary sector which has seen some benefit from consumer spending during lockdown. Whether this confidence is sustained as the economic impact of the pandemic bites, remains to be seen.

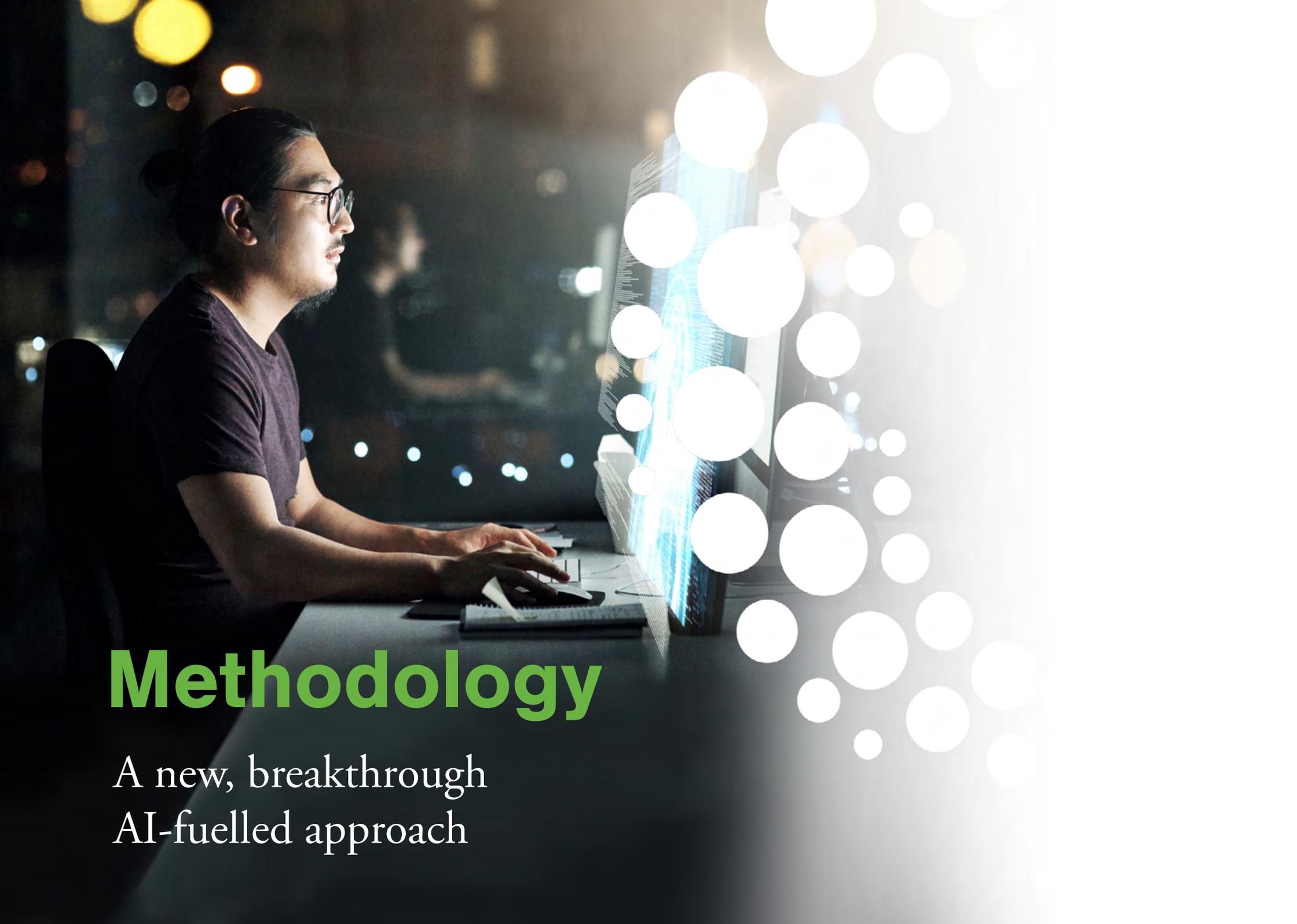
It pays to have a local view on leadership confidence

CHART 14
CONFIDENCE ABOUT THE WAY POLITICAL LEADERS COMMUNICATE ON SOCIAL MEDIA



Some striking differences include:

- Confidence in the way political leaders communicate on social media fell **16% in Australia** and rose 3% in Germany
- Confidence in the ability to protect a brand in a crisis fell by **12% in Australia** but rose 6% in France
- Confidence in extreme weather and global warming rose by **11%** in the U.S. but fell **33%** in Russia
- Confidence in employment benefits and their influence on success fell **39%** in Japan and rose **6%** in India
- Confidence in data privacy and protection rose **9%** in France and fell **23%** in the U.S.
- Confidence in the impact and role of the media rose **13%** in Germany and fell **31%** in Portugal
- Confidence in attracting talent rose **10%** in France and fell **25%** in Brazil
- Confidence in increasing productivity through employee engagement rose **16%** in Mexico and fell **26%** in Italy
- Confidence in retaining talent rose **41%** in the U.S. and fell **30%** in Portugal
- Confidence in upskilling and reskilling rose **37%** in the U.K. and fell **21%** in South Africa.



Methodology

A new, breakthrough
AI-fuelled approach

AI-fuelled research delivers deeper, richer insight



In 2019 we decided to adopt a new and breakthrough way of understanding the issues that concerned leaders – and their confidence levels in addressing them. As a result, we commissioned Advanced Symbolics Inc. (ASI), a research company that uses artificial intelligence (AI) to create truly representative understanding of what audiences are saying.

By using ASI's AI tool, Polly, we identified the topics that CEOs and CMOs were talking about in online channels. And we were able to segment this data by geography, age and gender. In April 2020, as a result of the pandemic, we began to use Polly to capture and provide a 'rolling window' on what leaders are saying.

The annual comparisons in this report are based on the online contributions, in nine languages, of 54,314 business leaders. This sample is drawn from a population of 113,594 CEOs and CMOs in 157 countries.

The 2020 report provides detailed results for 36 countries and comparisons for 15 since 2019. This enables us to identify which topics are highest on the leadership agenda during the 2020 pandemic, how confident or concerned leaders are about handling them, and how their confidence has changed since 2019.

Creating a representative sample and comparative data

A sample of 54,314 individuals who fit the 'global business leaders' classification was constructed from publicly available social media information using a patented process known as Conditional Independence Coupling. Polly (ASI's AI) analysed the social history of the sample for the previous 12 months and determined if a person was engaged on a particular topic. If a person was engaged on the topic, the AI measured if the engagement indicated confidence in the topic (I am not worried about this area) or concern toward the topic (I am worried about this area).

For each topic, the percentage of people in the sample who engaged confidently on the topic was measured. For example, if 5,137 people were confidently engaged on "retaining talent", this is a 9 per cent confidence (5,137 / 54,314).



Demographic splits

The following demographic details were collected as part of the methodology.

Role

Only contributions from CEOs or CMOs/CCOs were captured.

Age

Participants were grouped into six age ranges as follows:

- Under 25
- 25-34
- 35-44
- 45-54
- 55 - 64
- Over 65

Business size

Different sized groups were created:

- Very small 50 - 100 employees
- Small 101 - 250 employees
- Medium 251 - 500 employees
- Large 501 - 1000 employees
- Very large Over 1000 employees

Using the differential confidence method to enable robust comparisons

Using the total sample size confidence, the expected number of confident responders was extrapolated.

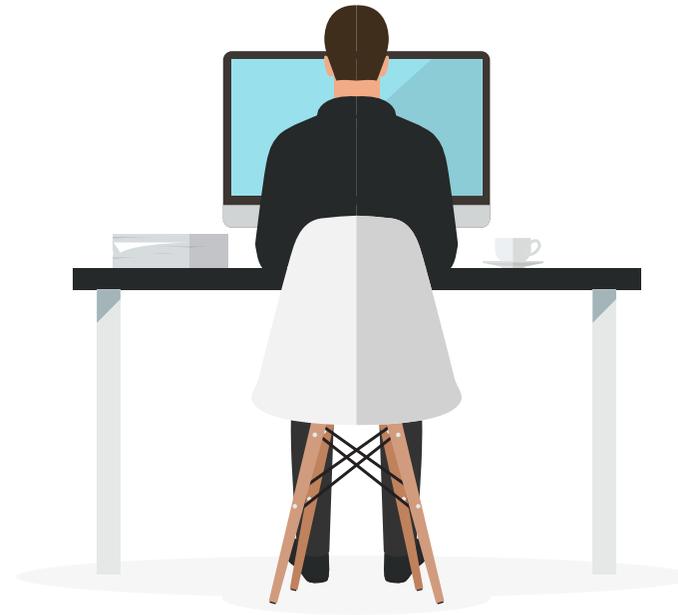
For example, if the sample for CEOs of very large (1000+) companies in Canada is 253 people, then the expected confident responders is 53 people (253* 21 percent).

The actual number of confident respondents is compared against the expected number and the difference is calculated. To further illustrate the concept, if 41 CEOs of very large (1000+) companies in Canada were confidently engaged on retaining talent, the difference is 12 less people than expected (53 – 41).

The ratio of the difference is calculated and added to the average confidence. Continuing the above example, 12 less Canadian CEOs is a decrease of 5 per cent (12/253). Five per cent is subtracted from the average confidence of 21 per cent giving a confidence for CEOs of large Canadian companies as 16 per cent. This is the differential confidence method.

In most cases, the differential confidence is the same as the raw confidence, which is the ratio of confident responders divided by the number of people in the sample. In the above example, the raw confidence is also 16 per cent: 41 Confident responders / 253 CEOs in the sample.

The differential confidence differs from the raw confidence when the sample for a segment (i.e. Job title) is small or the confident engagement is small. In these cases, the small denominator may exaggerate the change in confidence. The differential confidence minimizes the impact from small denominators, allowing accurate comparison between segments no matter the size.



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