



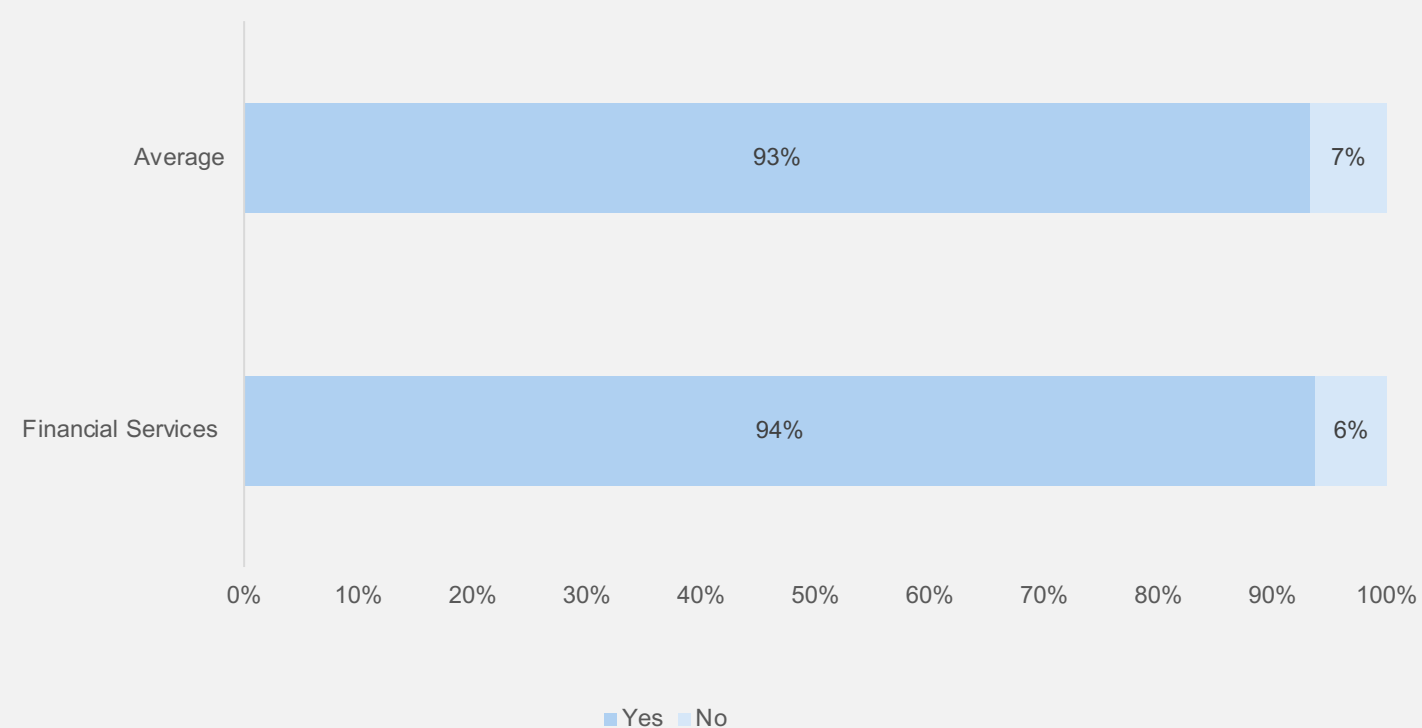
Untethered World

Leading in a Time of Chaos

Financial Services
Viewpoint

Expanding Scope of Non-Traditional Business

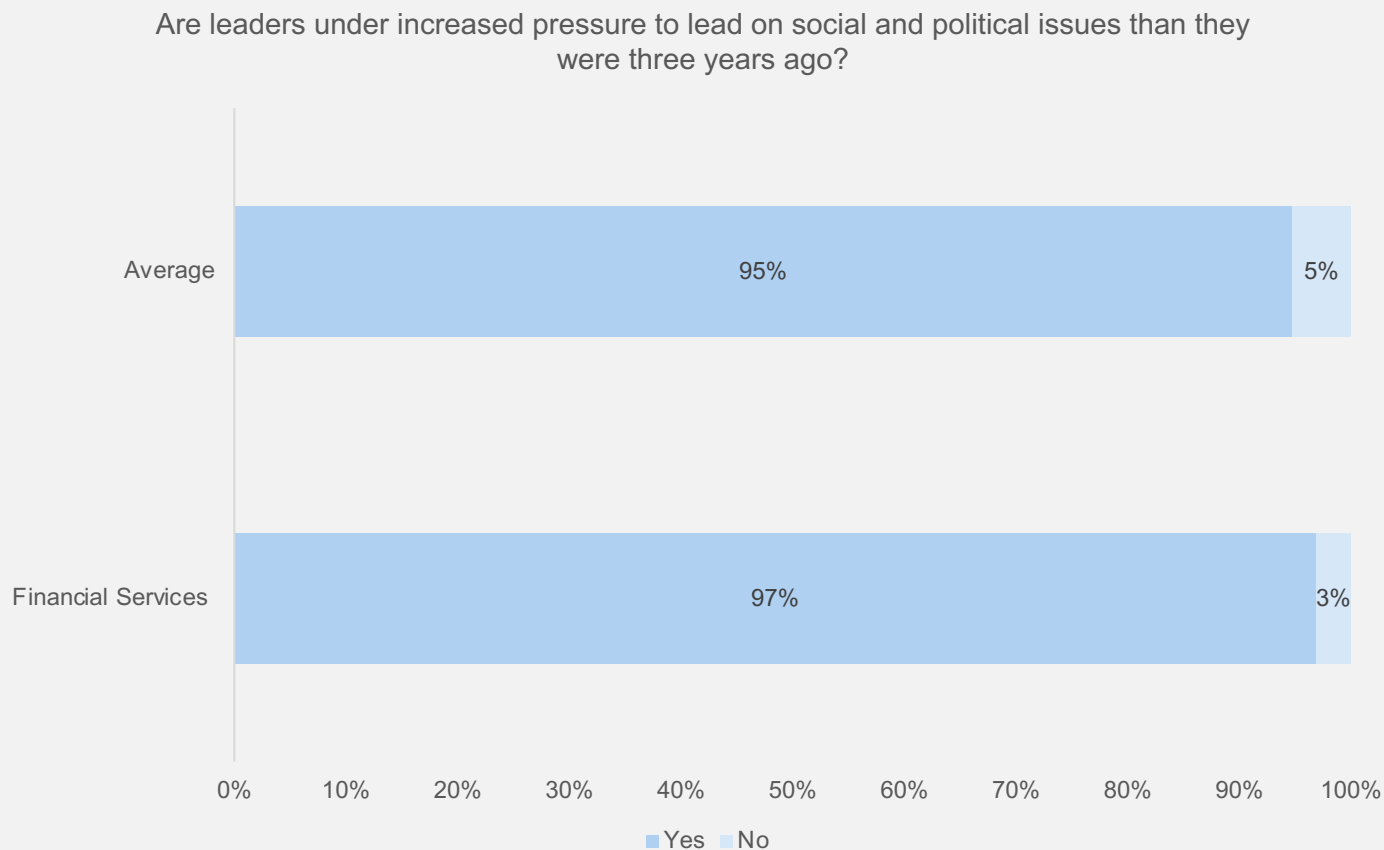
Are non-traditional business issues (i.e., social and political issues) a more significant part of business decisions now than they were three years ago?



94% of respondents from the financial services industry indicated that non-traditional concerns, such as social and political issues, are a more significant part of their business decisions than they were three years ago. This compares to 93% for the overall sample.

n=209

Increased Pressure to Take a Stance



97% of respondents from organizations within the financial services industry said leaders are under increased pressure to take a stance on social and political issues now versus three years ago. This compares to 95% overall.

n=209

More Stakeholders to Manage



88% of respondents from organizations in the financial services industry indicated leaders must now manage a wider range of stakeholders compared to three years ago—less than the average of 91%.

n=203

Boards, More Than Employee Reaction, Influence Complex Decision-Making

Please rank the following considerations influencing leaders when making complex decisions today.

Financial Services

Considerations	Rank
Board expectations	1
Brand image	2
Employee reaction	3=
Shareholder reaction	3=
Investor sentiments	5=
Consumer reaction	5=
Public opinion	7
Supplier relationships	8

n=190

Average

Considerations	Rank
Employee reaction	1
Brand image	2
Consumer reaction	3
Board expectations	4
Shareholder reaction	5
Investor sentiments	6
Public opinion	7
Supplier relationships	8

In a departure from the sample average, financial industry respondents ranked board expectations first, whereas the sample average ranked employee reaction first.

Leaders Also Prioritized Boards Three Years Ago

Please rank the following considerations influencing leaders when making complex decisions today compared with three years ago*

Today

Considerations	Rank
Board expectations	1
Brand image	2
Employee reaction	3=
Shareholder reaction	3=
Investor sentiments	5=
Consumer reaction	5=
Public opinion	7
Supplier relationships	8

n=180

Three years ago

Considerations	Rank
Board expectations	1
Brand image	2
Shareholder reaction	3
Investor sentiments	4
Consumer reaction	5
Employee reaction	6
Public opinion	7
Supplier relationships	8

Board expectations were—and remain—the top consideration for leaders in the financial services industry when making complex decisions.

*Note that executives were asked to rank their own perspectives as they believed they would have ranked them three years ago. This survey was not conducted three years ago.

Greatest Risk: Regulatory Action

Rank the impact of the following risks of failing to appropriately respond to a major external crisis.

Financial Services

Risks	Rank
Regulatory action	1
Consumer backlash	2
Employee turnover	3
Investor abandonment	4
Stakeholder discontent	5
Backlash from business community	6
Supplier disaffection	7
Other	8

n=195

Average

Risks	Rank
Employee turnover	1
Consumer backlash	2
Regulatory action	3
Stakeholder discontent	4
Investor abandonment	5
Backlash from business community	6
Supplier disaffection	7
Other	8

Organizations in the financial services industry place a higher value on the risk of regulatory action than employee turnover. This differs from the sample average, which ranks turnover as the greatest risk for not appropriately responding to a major external crisis.

Consumers and Internal Leaders Come First

Please rank the following stakeholders in order of how important they are in shaping your decision-making.

Financial Services

Stakeholders	Rank
Consumers	1
Internal executive leadership	2
Regulators	3
Employees	4
Institutional investors	5
Local communities	6
Business peer groups	7
Individual investors	8
Suppliers	9
Online influencers	10
Other	11

n=204

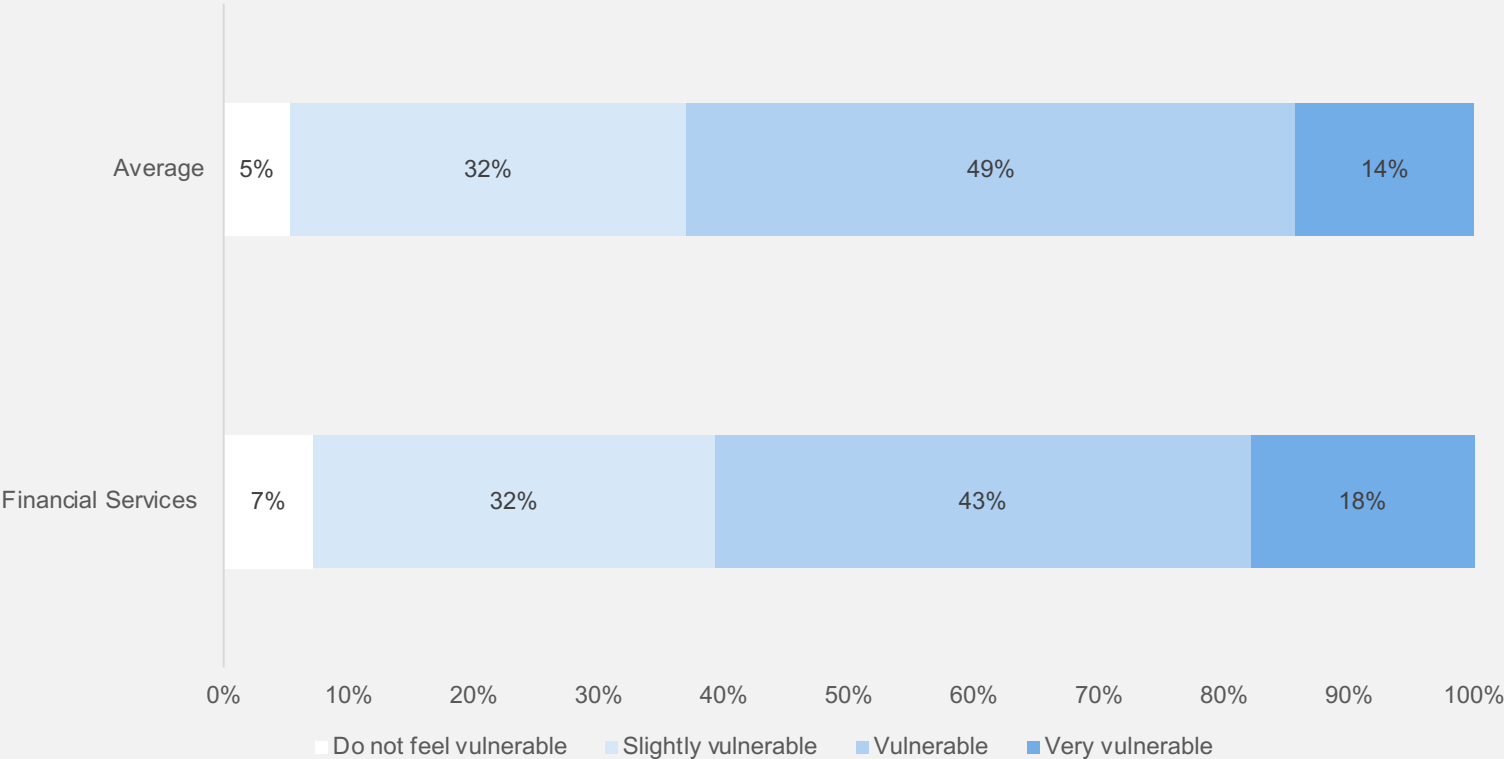
Average

Stakeholders	Rank
Consumers	1
Employees	2
Internal executive leadership	3
Institutional investors	4
Regulators	5
Suppliers	6
Local communities	7
Individual investors	8=
Business peer groups	8=
Online influencers	10
Other	11

Organizations in the financial services industry assign consumers the top priority in terms of the importance of various stakeholders in shaping decisions, which is aligned with the sample average. But, employees are ranked fourth, contrasting sharply with their rank of second in the sample average.

Financial Services Leaders Feel Vulnerable When Making Complex Decisions

How vulnerable do leaders feel when making a complex decision regarding a major external crisis?



18% of respondents from organizations in the financial services industry said leaders feel “very vulnerable” when making complex decisions about external crises. This compares to an average figure of 14%.

n=189

Adaptability is the Skill Leaders Need Now

Please rank the following skills or capabilities leaders need in the current environment.

Financial Services

Skills/capabilities	Rank
Adaptability	1
Resilience	2
Vision	3
Risk assessment	4
Empathy	5
Personal courage	6
Stakeholder management	7
Political awareness	8
Social media awareness	9
Other - please specify	10

n=181

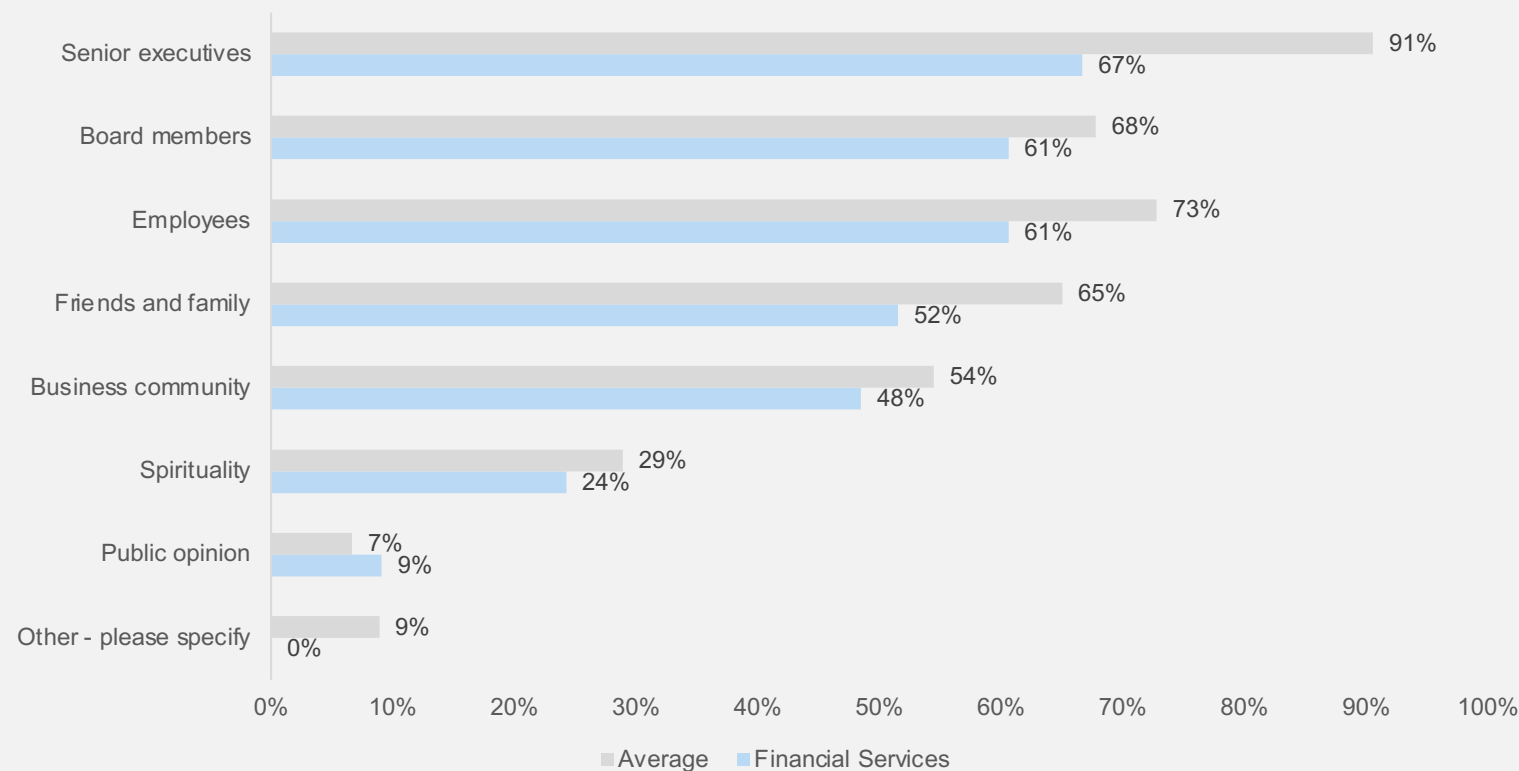
Average

Qualities	Rank
Adaptability	1
Vision	2
Resilience	3
Empathy	4
Risk assessment	5
Personal courage	6
Stakeholder management	7
Political awareness	8
Social media awareness	9
Other - please specify	10

Respondents from organizations in the financial services industry ranked adaptability as the top skill needed of leaders in the current environment, as did respondents from across the sample. Respondents ranked resilience second, compared to vision in the average sample.

Leaders Gain Support From Senior Executives

When making complex decisions, where do leaders get support or draw strength from?



67% of respondents from the financial services industry indicated that leaders seek support from their fellow senior executives. Following closely in the second ranking are board members, cited by 61% of respondents compared to a sample average of 68%.

n=180