



FORTUNE and Korn Ferry Hay Group Announce This Year's World's Most Admired Companies

February 27, 2017

- Shifting to Digital Economy Top Priority for Companies on List -

LOS ANGELES--(BUSINESS WIRE)--Feb. 27, 2017-- The Hay Group division of [Korn Ferry](#) (NYSE:KFY), the preeminent global people and organizational advisory firm, and FORTUNE are pleased to announce the annual World's Most Admired Companies list. Find FORTUNE's full list of the World's Most Admired Companies here: <http://fortune.com/worlds-most-admired-companies/>

The World's Most Admired Companies (WMAC) rankings are the definitive benchmark on corporate reputation. Korn Ferry Hay Group has partnered with FORTUNE for 20 years to provide deep insights into the business practices that make these companies highly regarded and successful. This year, the firm's research analyzed how WMACs are dealing with digital disruption in the economy.

Preparing for the digital economy

According to the Korn Ferry Hay Group research, the digital economy as an area of strategic focus is important for WMACs with 89 percent saying it's a "critical" or "very important" focus area. Additionally, 75 percent of WMACs report that the digital economy has had a "positive" or "somewhat positive" impact on the economic performance of their organization to date. Moreover, 80 percent of WMACs report they are effectively shifting the mindsets of leaders and employees to respond to opportunities and challenges associated with the digital economy.

"It's not surprising that the World's Most Admired Companies are taking a proactive approach when it comes to preparing leaders and employees to respond to new opportunities the digital economy will bring," said Mel Stark a Senior Client Partner at Korn Ferry Hay Group. "The Most Admired realize that responding to this revolution isn't just a 'nice to have' – it's critical to the survival of their organization."

Finding new ways to work

In addition, WMACs realize they'll have to change the way they currently work to be effective in an ever-changing digital world. Seventy-one percent of WMACs indicated that their current organizational culture will need to change to support the execution of their digital strategy. And only 44 percent agree that they currently have a talent bench with the skills and capabilities needed to execute their digital strategy. The good news for WMACs is they are already on their way to encouraging the cross-company collaboration needed to successfully navigate digital transformation. Eight-one percent of WMACs report the use of agile, cross-functional teams to manage initiatives and 67 percent report they are effective in gathering and leveraging new ideas from all parts of the organization. Additionally, 78 percent report decisions are made at the appropriate level and 68 percent of WMACs say employees are empowered to take appropriate risks without fear of adverse consequence for failure.

"The World's Most Admired Companies recognize that encouraging cross-company collaboration and empowering employees to make decisions and take risks are crucial to succeeding in the digital world," said Mark Royal a Senior Director at Korn Ferry Hay Group. "These exemplary companies also know that new structures and ways of working, open boundaries, and connected ecosystems are essential to being able to continuously adapt to the opportunities offered by the digital economy."

What's driving digital and the leadership skills needed

When it comes to what's driving their digital strategy, WMACs place enhancing existing customer experiences and loyalty (62 percent), product/service innovation (50 percent), growth/expanding market share (41 percent) and cost reduction/productivity improvement (41 percent), at the top of their list. Korn Ferry Hay Group's research also found that WMACs place learning agility (61 percent), working collaboratively across the organization (58 percent), conceptual thinking (42 percent), data/analytic skills (40 percent), and risk taking (36 percent) as the top capabilities needed for the success of leaders driving digital transformation.

"We know from our own research how important a skill like learning agility is to succeed in a fast moving, loosely structure world," said Royal. "Other companies would be wise to take the Most Admired Companies' lead and help leaders and employees develop this critical skill that allows one to face new challenges and perform well under changing conditions."

About the FORTUNE/Korn Ferry Hay Group World's Most Admired Companies research

Korn Ferry Hay Group has collaborated with FORTUNE annually since 1997 to identify, select and rank the World's Most Admired Companies and uncover the business practices that make these companies both highly regarded and successful. For more information on how the rankings are determined, please view the full methodology on Korn Ferry's website.

For the supplemental research, the data were derived from a survey of 598 senior executives from companies that participated in the annual WMAC rankings. For the purpose of the study, WMACs were defined as those that are among the top 50 overall "all-stars" or ranked among the top three in their respective industries.

About Korn Ferry

Korn Ferry is the preeminent global people and organizational advisory firm. We help leaders, organizations, and societies succeed by releasing the full power and potential of people. Our nearly 7,000 colleagues deliver services through our Executive Search, Hay Group and Futurestep divisions. Visit kornferry.com for more information.

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