

27th Annual Global CEO Survey

Thriving in an age of continuous reinvention

February 2024



PwC's 27th Annual Global CEO Survey polled

4,700+
CEOs
globally between
October and
November 2023

105
countries
(previous 89)

4,702
CEOs
(previous 4,410)

27%
of the companies
at **revenue** of at
least US\$1bn

26
industries
represented

Views of **41** Finnish
CEOs, which we
personally
interviewed

They represent ownership of

59%

private

41%

publicly listed

They generate revenue of

46%

> US\$1bn

41%

US\$0.1-1bn

12%

< US\$0.1bn

They employ

53%

> 1,000

15%

500 to 1,000

32%

< 500

Key themes

Reinvention

The vast majority of the companies are already taking at least some steps towards reinvention. The notable increase in the pressure CEOs expect over the next 3 years from factors that influence business model change is another sign that the need to reinvent is rising.

Technological disruption and AI

CEOs anticipate many positive near-term business impacts from GenAI, including increased revenues and efficiency. CEOs are most concerned about increasing cybersecurity risks.

Climate Change

Roughly two-thirds of the CEOs have efforts underway to improve their energy efficiency, and about half of them say they have work in progress to innovate climate-friendly products and services.

Economic growth

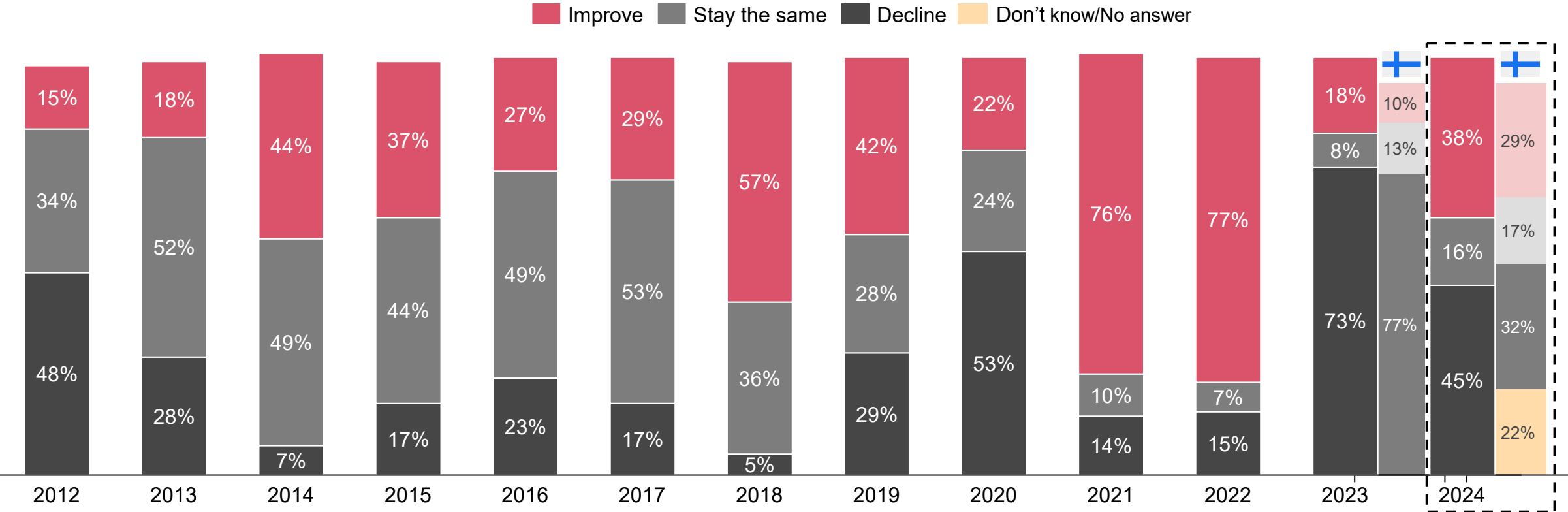
CEOs are more optimistic about global economic growth than last year



Economic growth next 12 months

Globally, CEOs are twice as likely to expect the global economy to improve this year compared to last year

Q. How do you believe economic growth (i.e., gross domestic product) will change, if at all, over the next 12 months in the global economy?

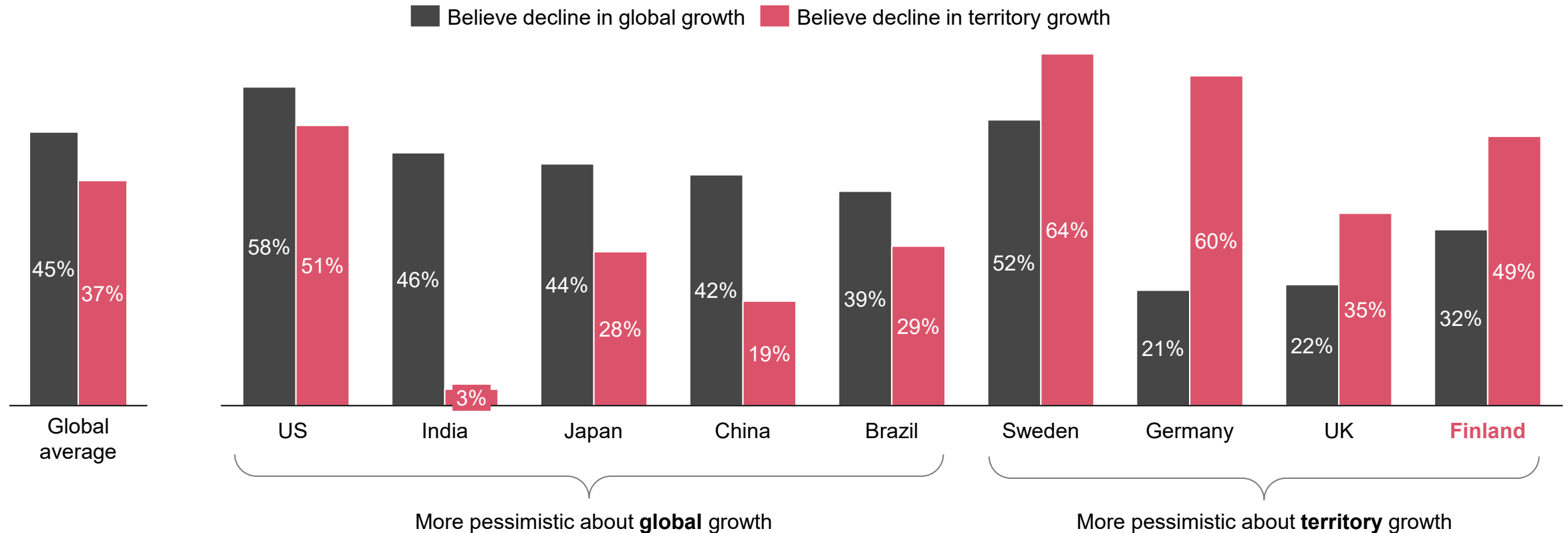


Base: All respondents (2012=1,258, 2013=1,330, 2014=1,344, 2015=1,322, 2016=1,409, 2017=1,379, 2018=1,293, 2019=1,378, 2020=1,581, 2021=1,779, 2022=4,446, 2023=4,410, 2024=4,702)

Economic growth next 12 months

Leaders in many major economies are more pessimistic about the near-term growth prospects of the global economy than their own countries

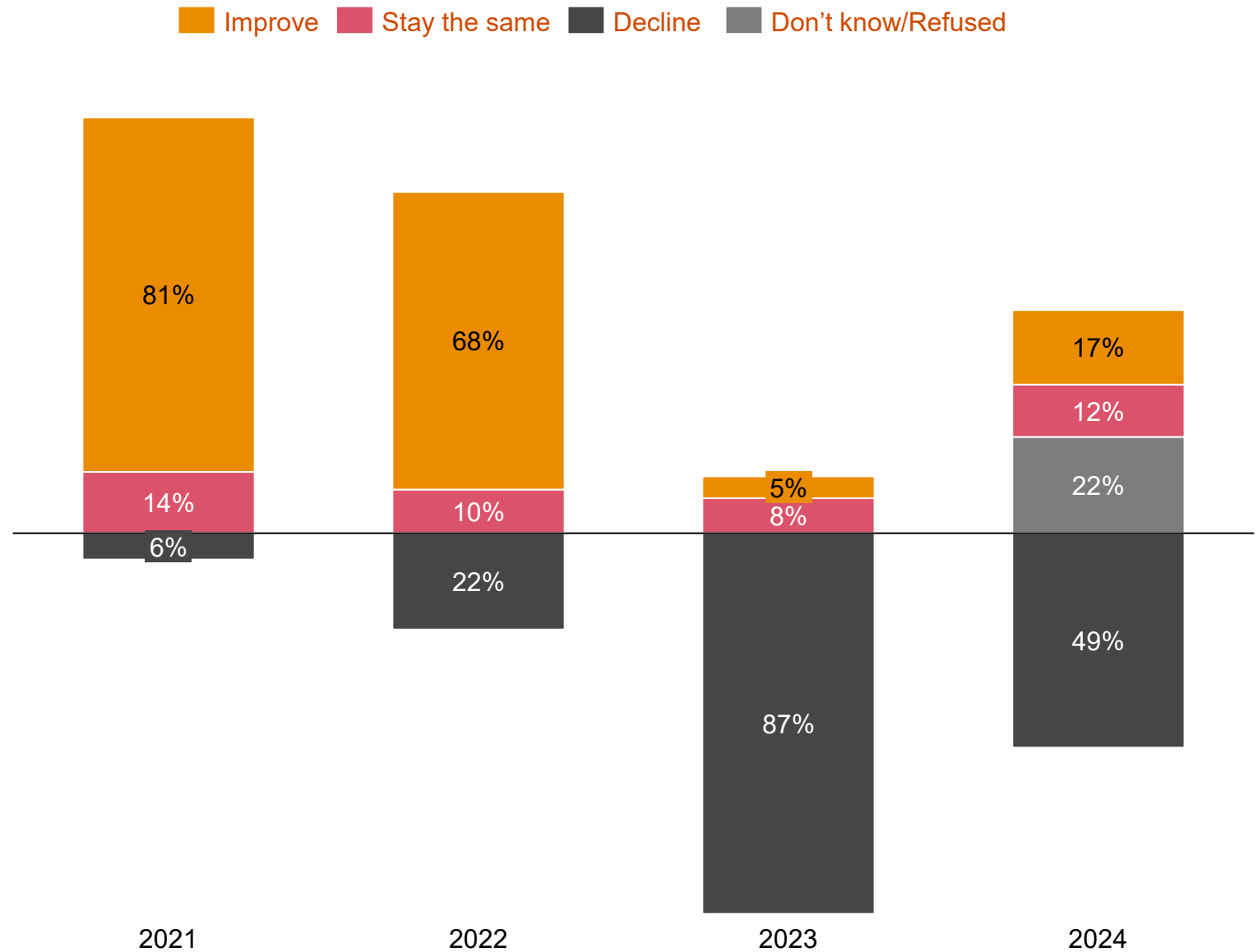
Q. How do you believe economic growth (i.e., gross domestic product) will change, if at all, over the next 12 months in the global economy/your country/territory?



Economic growth next 12 months

Finnish CEOs are less pessimistic about economic growth in Finland compared to last year

Q. How do you believe economic growth (i.e., gross domestic product) will change, if at all, over the next 12 months in your territory?

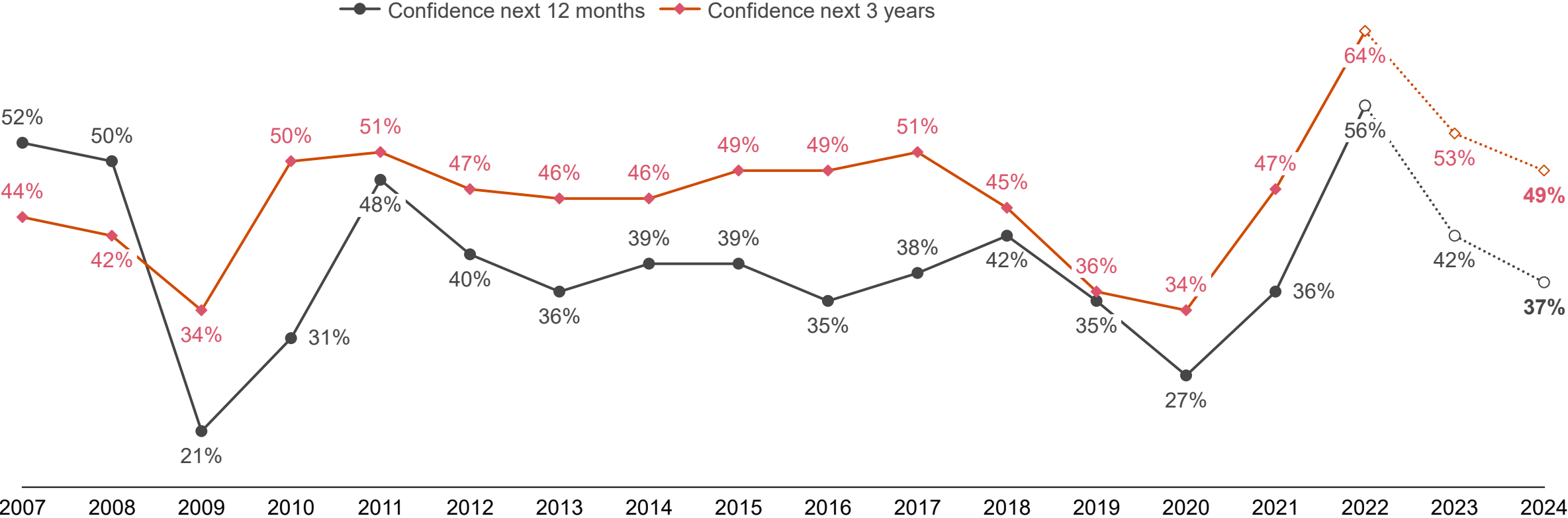


Confidence in revenue growth

Globally, CEOs' confidence in their own company's growth prospects continued to decline

Q. How confident are you about your company's prospects for revenue growth over the next 12 months and 3 years?

Showing only 'very confident' and 'extremely confident' responses

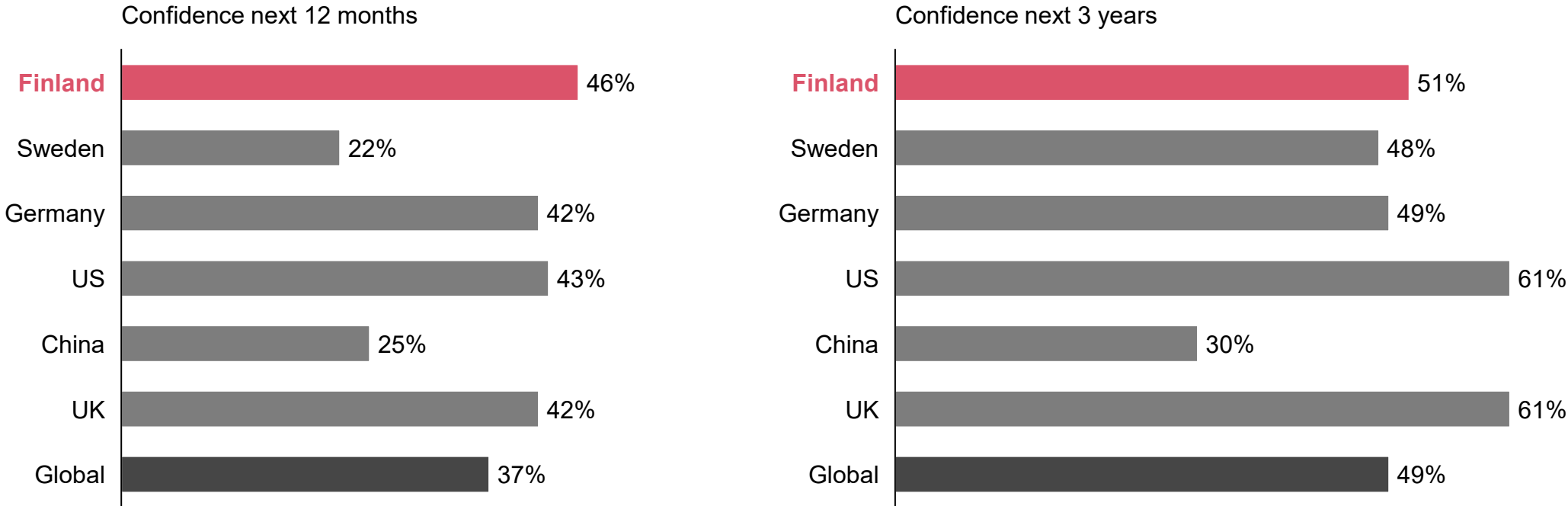


Confidence in revenue growth

CEOs in Finland are more confident in their own company's growth prospects in short term than CEOs globally

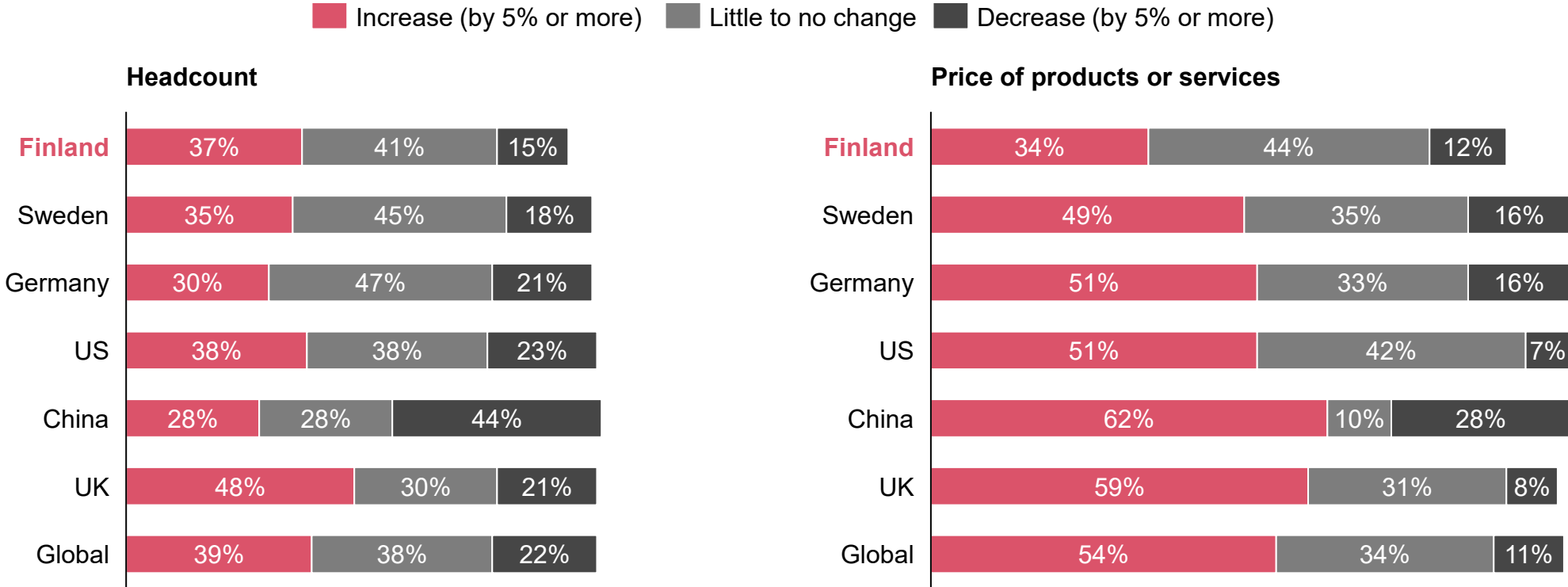
Q. How confident are you about your company's prospects for revenue growth over the next 12 months and 3 years?

Showing only 'very confident' and 'extremely confident' responses



CEOs in Finland see least changes in the following actions concerning headcount and prices of products/services in the next 12 months

Q.To what extent will your company increase or decrease the following in the next 12 months?



Reinvention

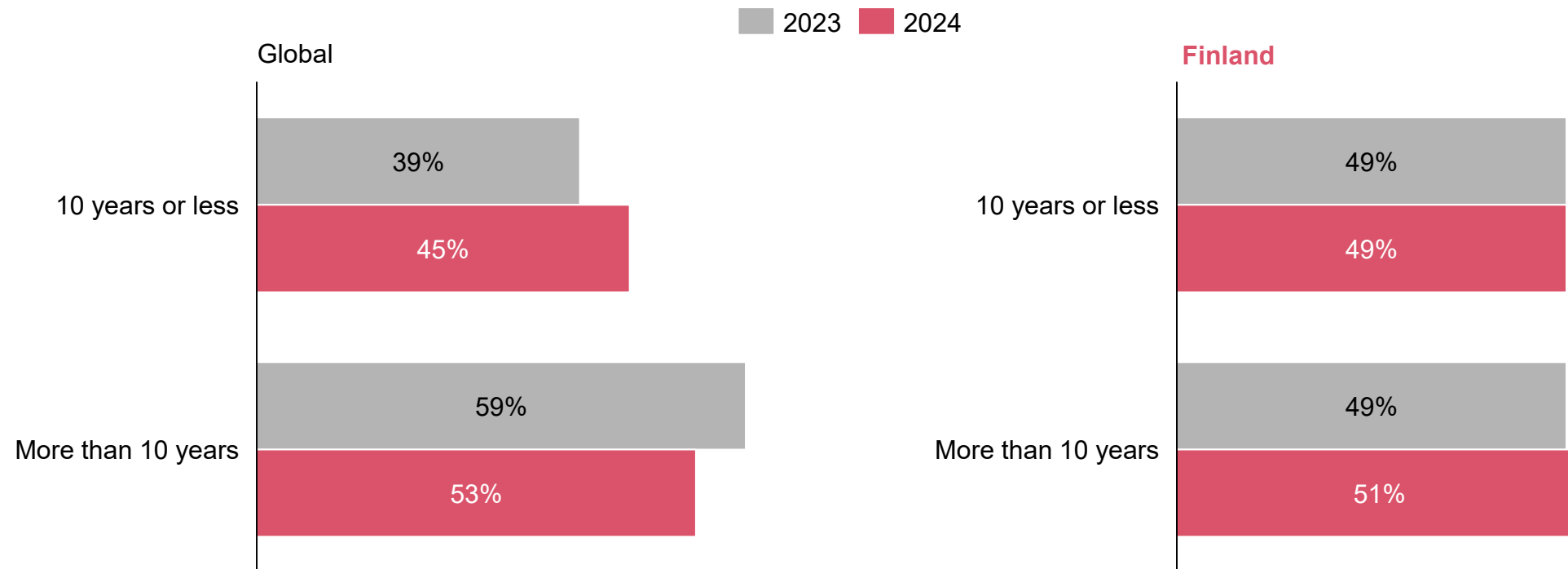
An enduring
imperative to
reinvent



Economically viable

45% of CEOs don't think their companies will be economically viable a decade from now if they continue on their current path, in Finland 49%

Q. If your company continues running on its current path, for how long do you think your business will be economically viable?

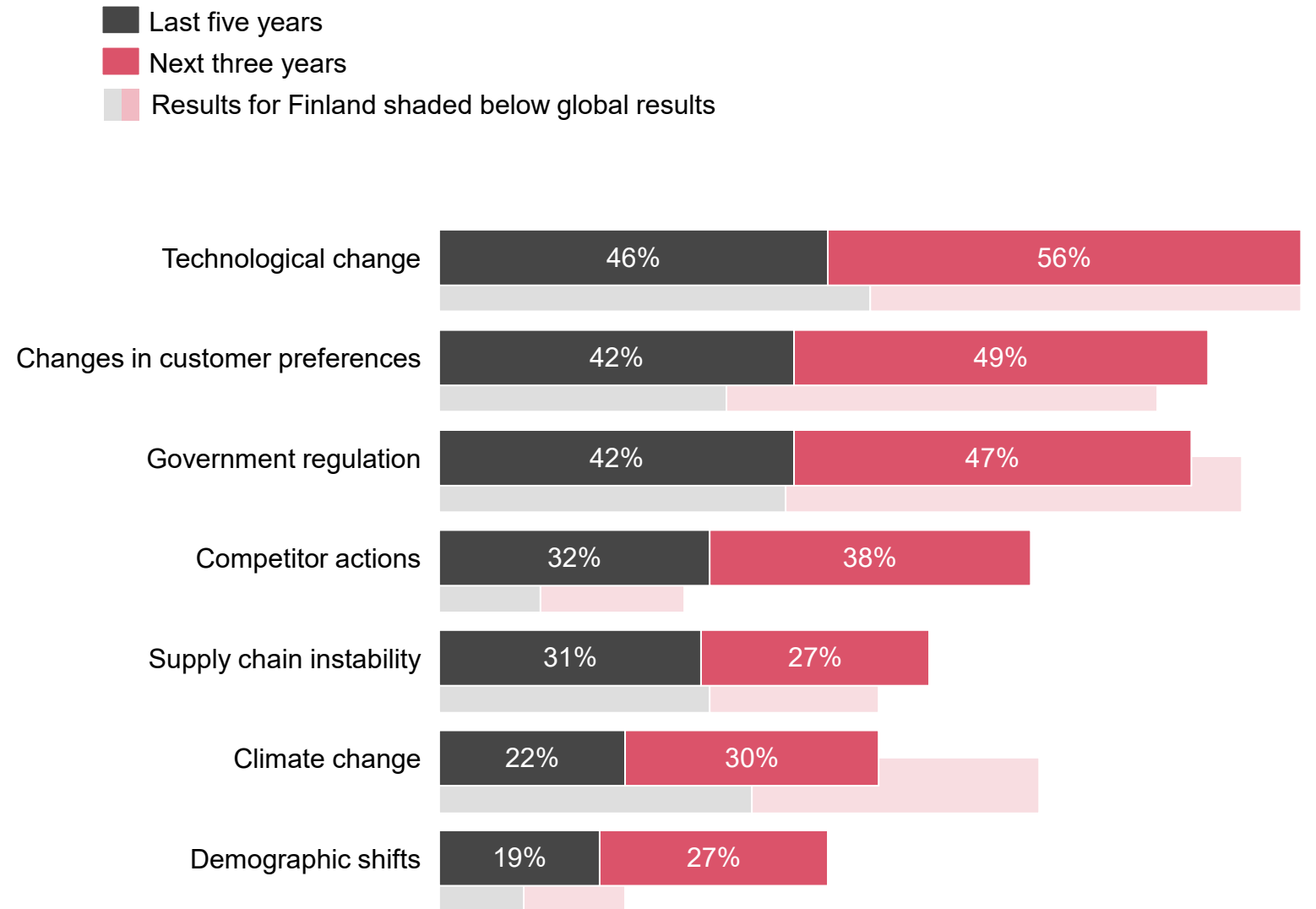


Pressures and threats

Although CEOs see the next three years bringing more impetus to reinvent than the last five did...

Q. Please indicate the extent to which the following factors have driven changes to the way your company creates, delivers and captures value in the last five years/next three years?

(Showing only 'to a large extent' and 'to a very large extent' responses)

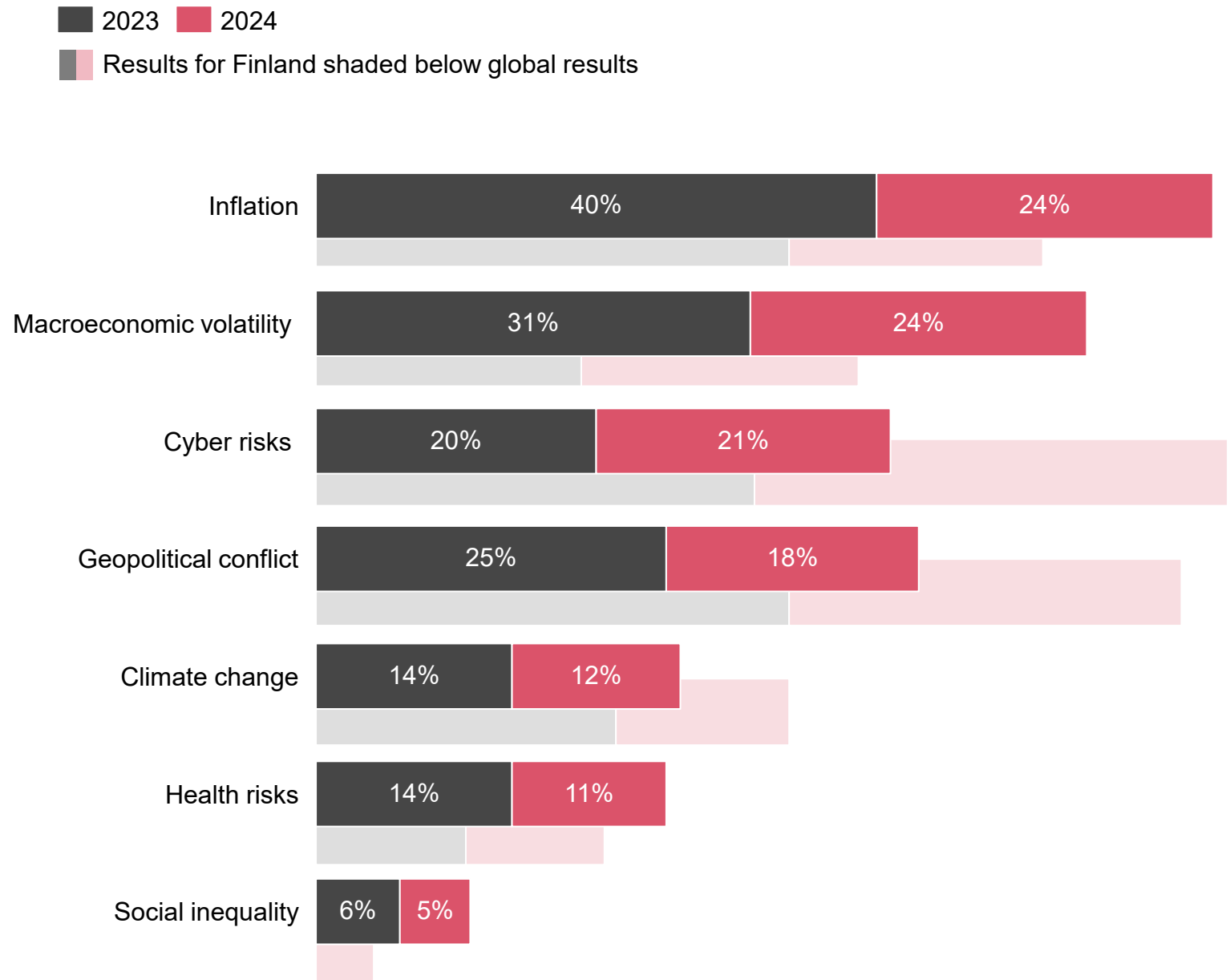


Pressures and threats

...they feel less threatened over the next 12 months than they did a year ago

Q. How exposed do you believe your company will be to the following key threats in the next 12 months?

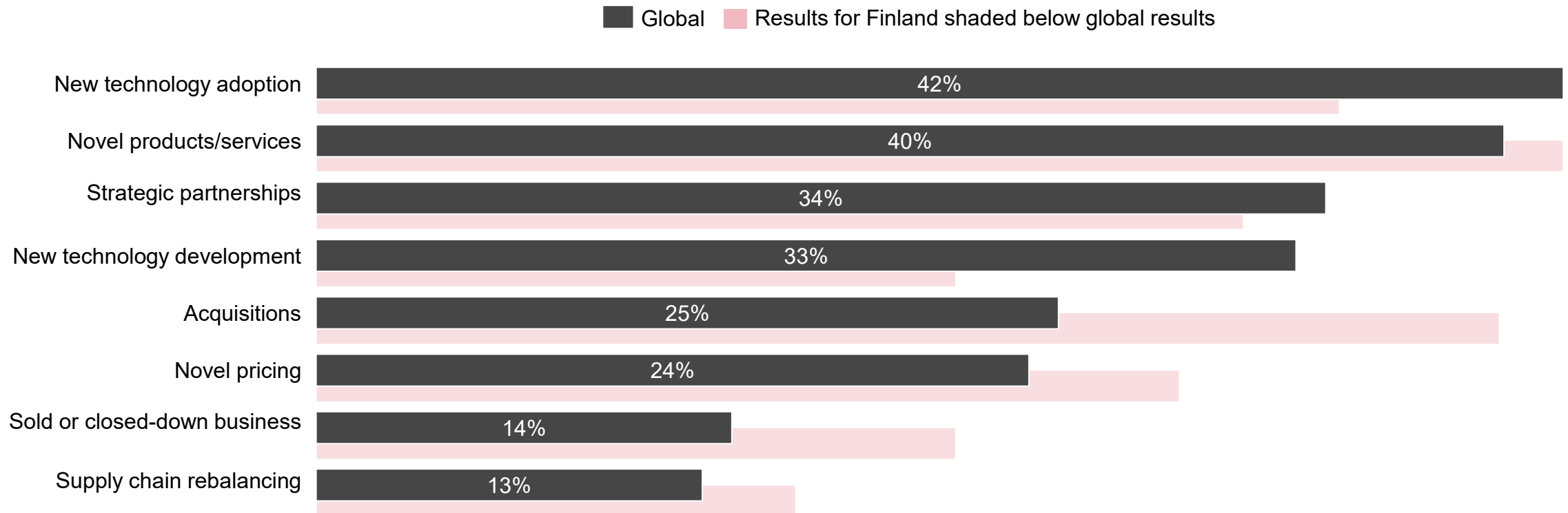
(Showing only 'highly exposed' and 'extremely exposed' responses)



Actions impacting companies

Over the last five years, technology development and adoption have been the key reinvention actions with impact

Q. To what extent have the following actions impacted the way your company creates, delivers and captures value over the last five years? (Showing only 'to a large extent' and 'to a very large extent' responses)

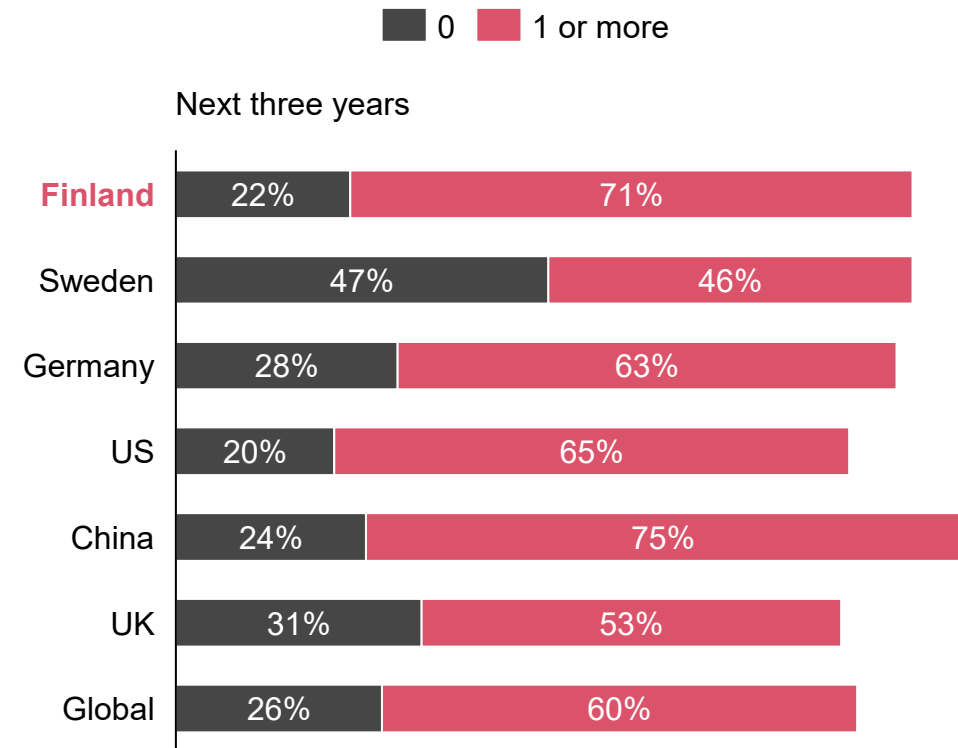
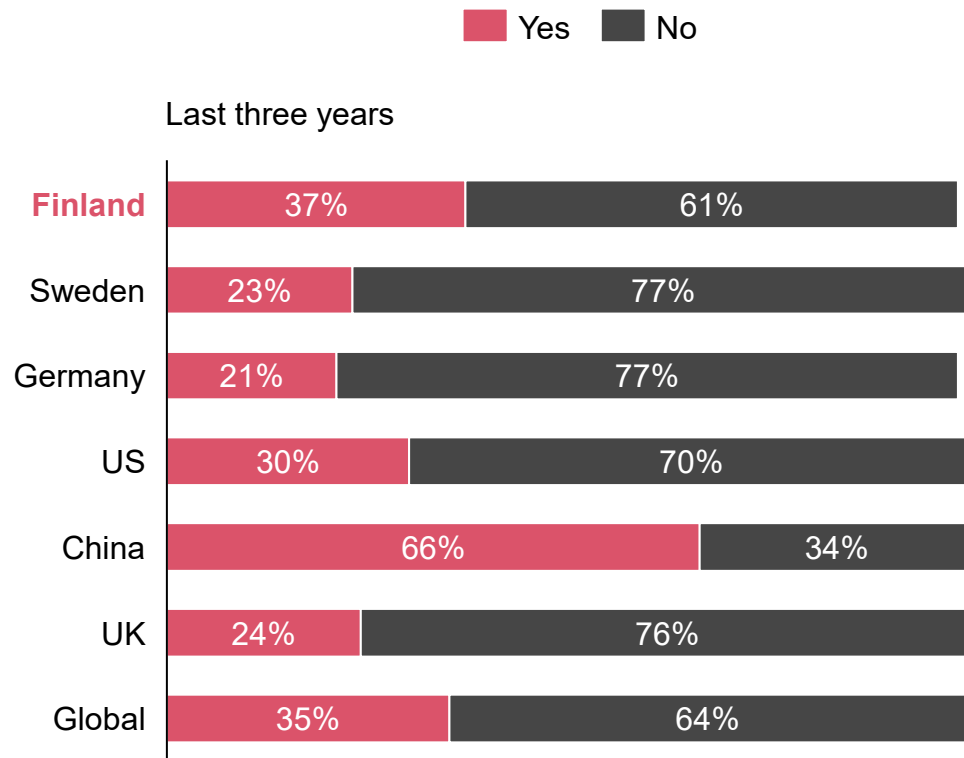


Acquisitions

CEOs globally are planning to do more acquisitions in the next three years compared to last three

Q. Has your company made a major acquisition (more than 10% of assets) in the last three years? PAST

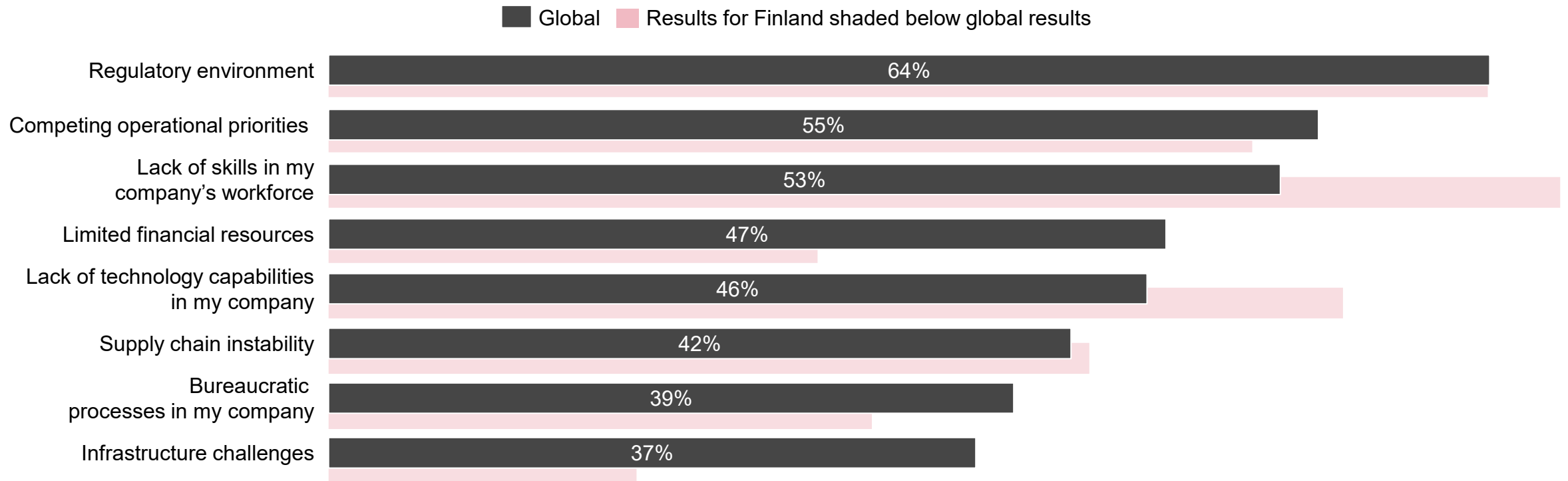
Q. How many acquisitions is your company planning to make in the next three years? FUTURE



Barriers inhibiting companies

Many of the reinvention barriers CEOs are most concerned about are within their realm of influence

Q. To what extent, if at all, are the following factors inhibiting your company from changing the way it creates, delivers and captures value? (Showing only 'to a moderate extent', 'to a large extent' and 'to a very large extent' responses)



Technological disruption

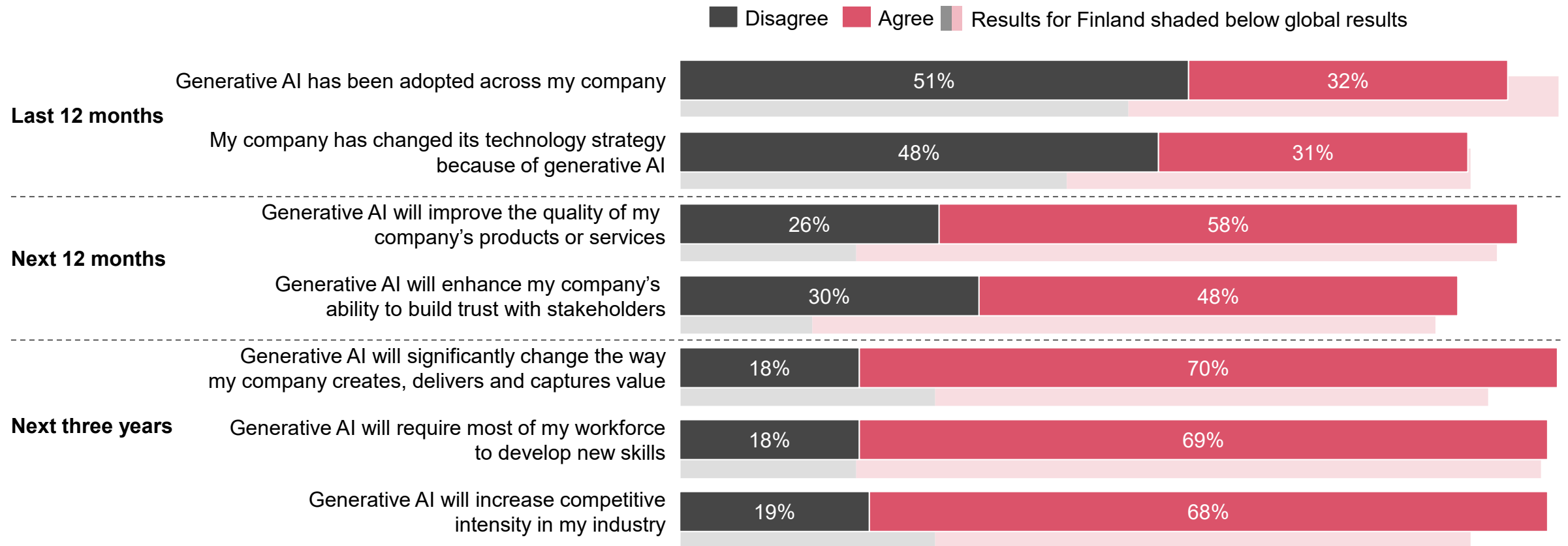
Generative AI



The GenAI opportunity

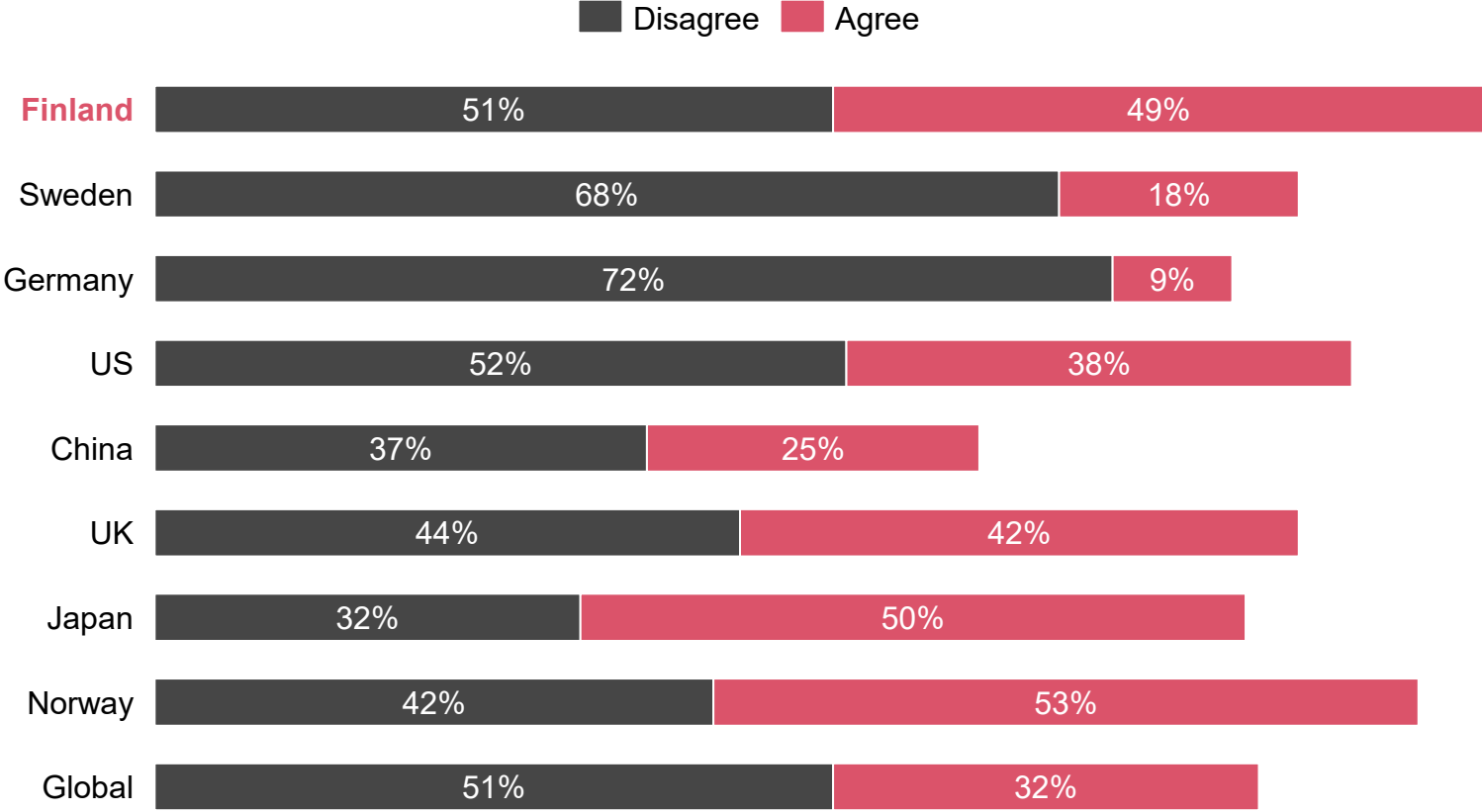
Although Generative AI adoption and strategic integration has been limited, CEOs anticipate growing impact ahead

Q. To what extent do you agree or disagree with the following statements about Generative AI?



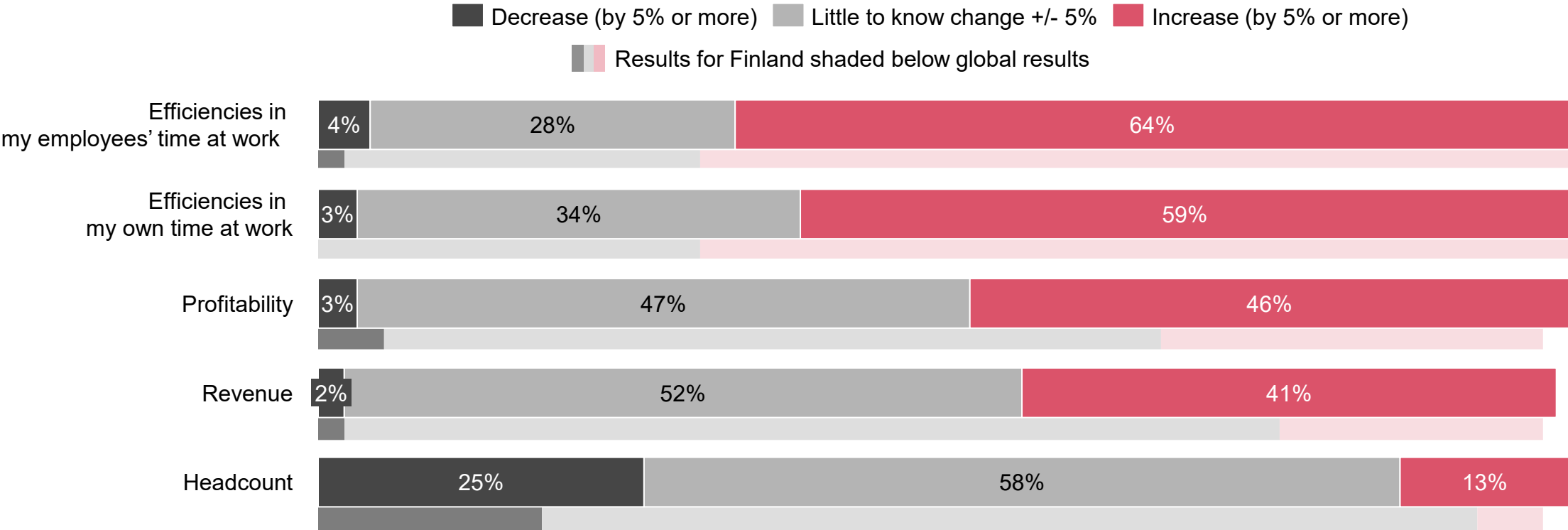
Norway, Japan and Finland lead the way in GenAI adoption

Q. To what extent do you agree or disagree that Generative AI has been adopted across your company in the last 12 months?



CEOs anticipate generative AI will deliver significant top and bottom line benefits

Q. To what extent will generative AI increase or decrease the following in your company in the next 12 months?

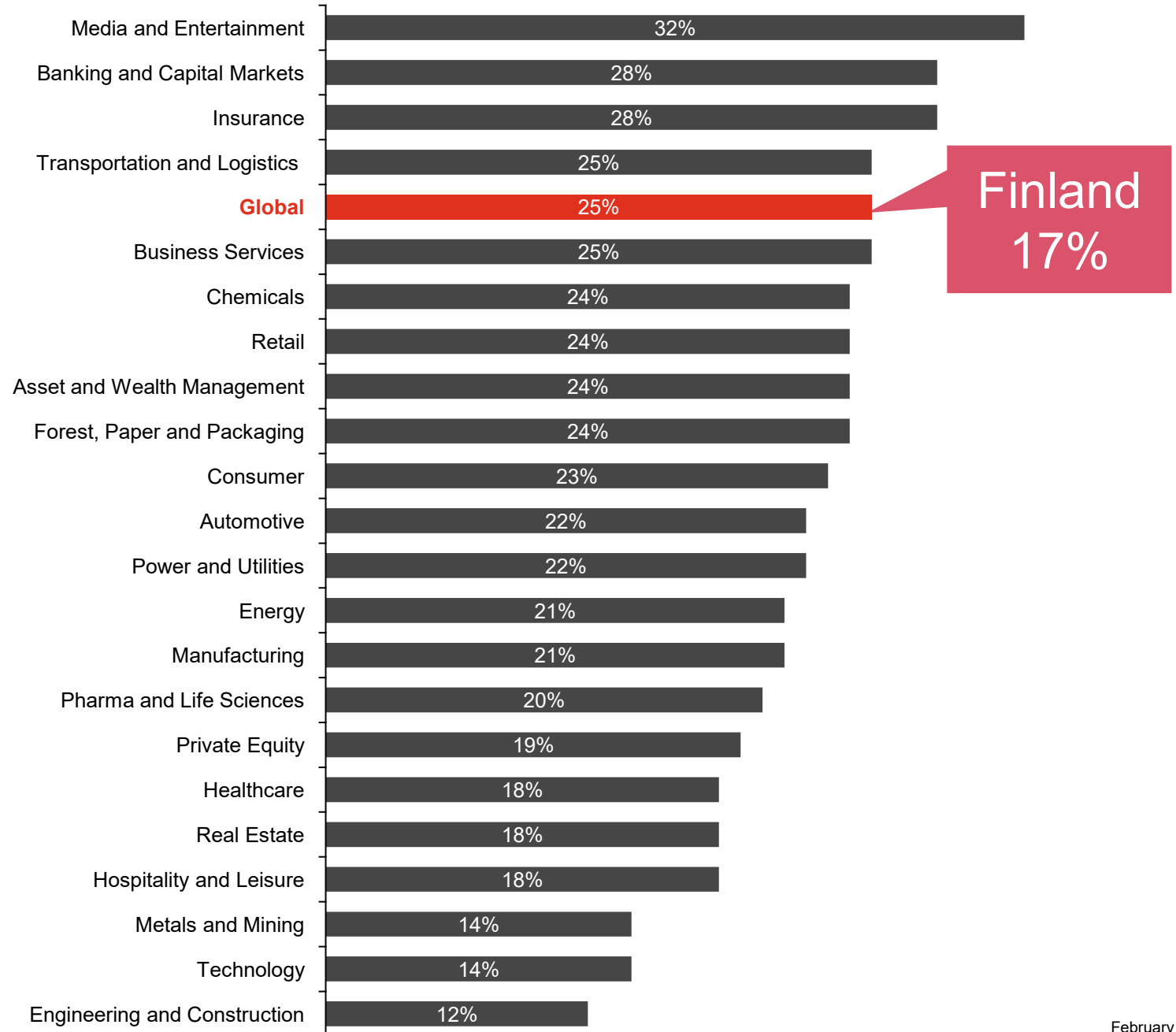


The GenAI opportunity

1 in 4 anticipate reducing headcount by 5% or more in 2024 due to generative AI

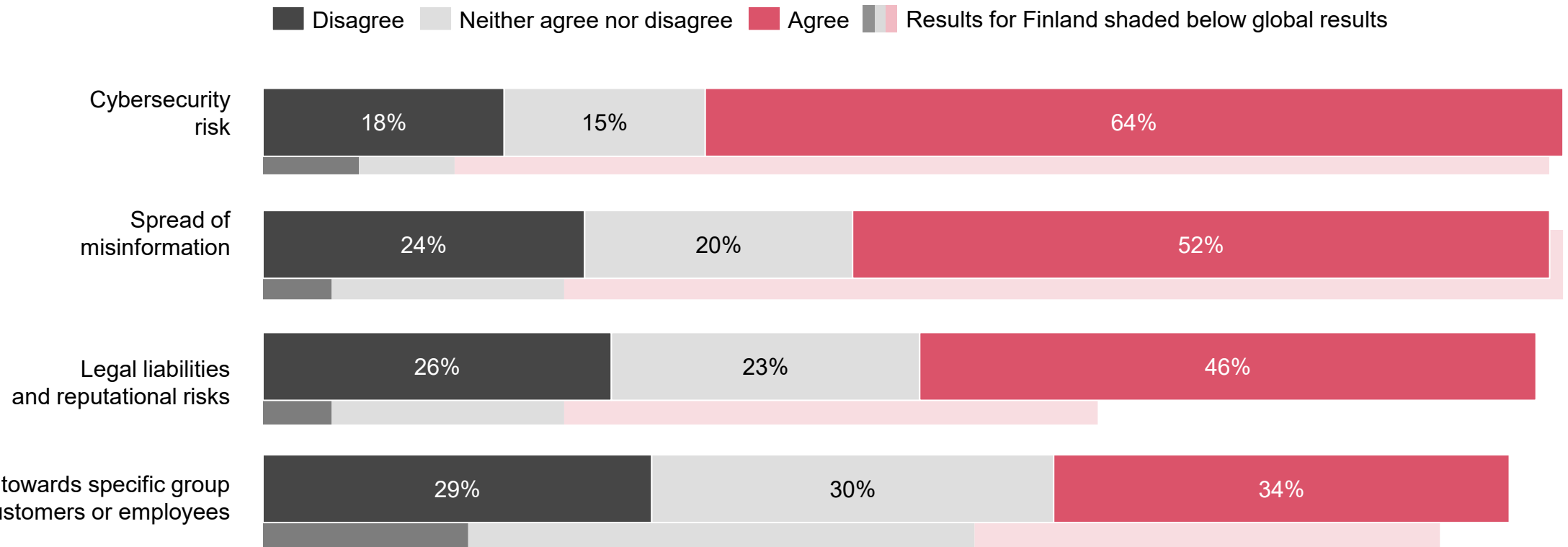
Q. To what extent will **generative AI** impact headcount in your company in the next 12 months?

(Showing only 'decrease by 5% or more' responses)



When it comes to Generative AI risks, CEOs are most concerned about cybersecurity

Q. To what extent do you agree or disagree that Generative AI is likely to increase the following in your company in the next 12 months?



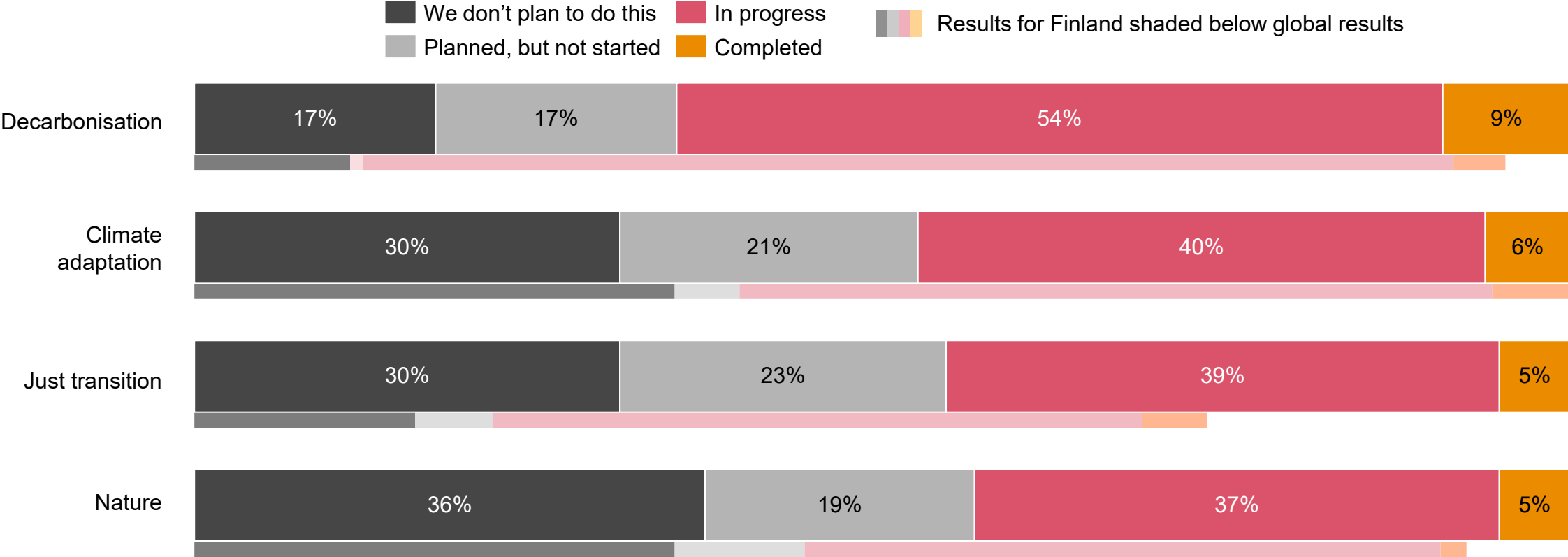
Climate Change

An enduring imperative to reinvent



Most CEOs report progress on decarbonisation, but fewer have plans for other climate actions

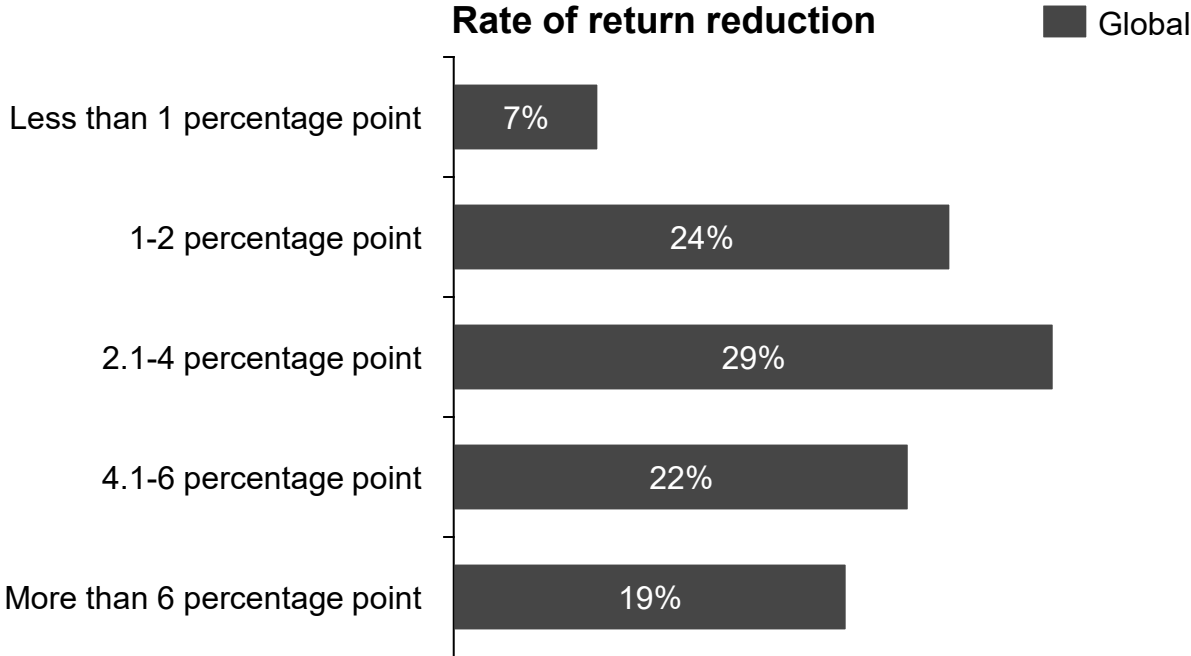
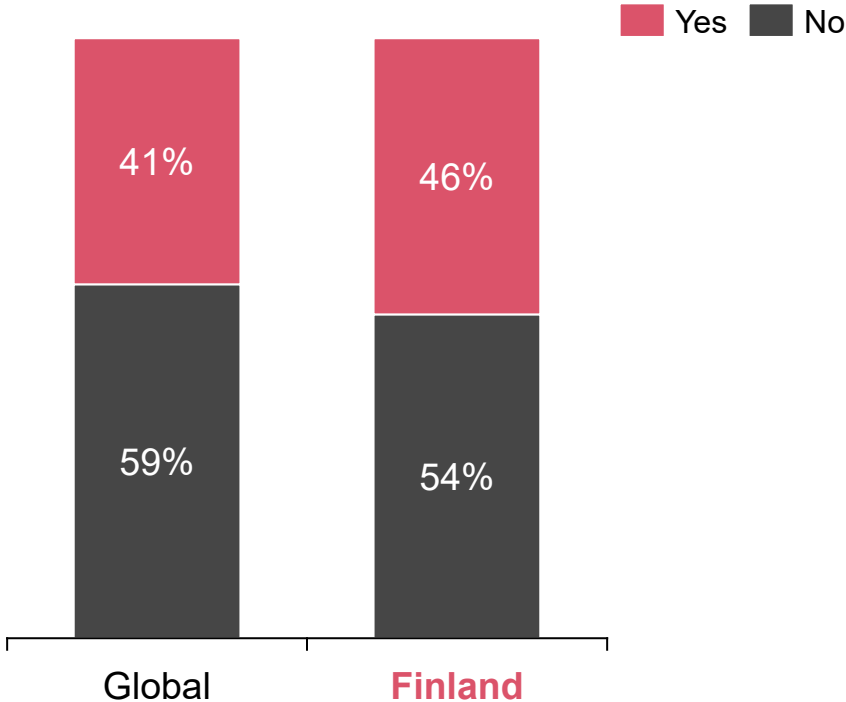
Q. Below is a list of actions companies may undertake related to climate change. Which of the following best describes your company’s level of progress on each of these actions?



Recalibrate expectations for climate priorities

Four in ten CEOs globally have accepted significantly lower rates of return on climate-friendly investments, in Finland 46%

Q. In the last 12 months, when evaluating climate-friendly investments*, has your company accepted rates of return that were lower than for other investments?

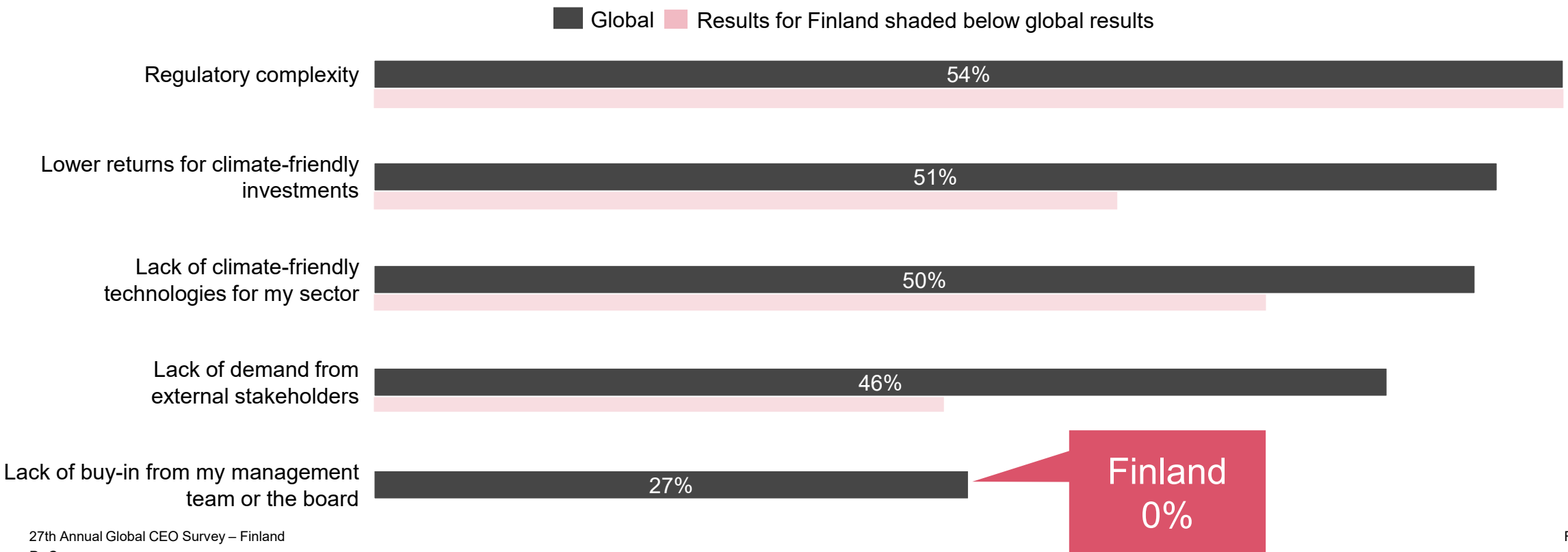


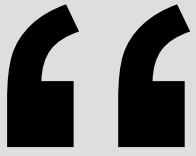
Notes:
 *Climate-friendly investments were defined as “e.g., transitioning to energy-efficient operations, developing greener products and services, implementing emission-reducing technologies”.
 Base: All respondents (4,702); then, those respondents whose company has accepted rates of return that were lower than for other investments (1,929)
 Source: PwC’s 27th Annual Global CEO Survey

Barriers inhibiting companies

CEOs are split fairly equally between those who do and do not feel constrained in their decarbonisation efforts

Q. To what extent, if at all, are the following factors inhibiting your company’s ability to decarbonise its business model?
(Showing only ‘to a moderate extent’, ‘to a large extent’ and ‘to a very large extent’ responses)





This year's data suggests a high degree of CEO uncertainty ahead, but CEOs are taking action. They are transforming their business models, investing in technology and their people, and managing the risks and opportunities presented by the climate transition.

If businesses are to thrive over the short and long-term, build trust, and deliver sustained and long-term value, they must accelerate the pace of reinvention.

Bob Moritz

Global Chair, PwC



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27th Annual Global CEO Survey



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