Confident, agile, resilient – Australian CEOs set for the future

Australian CEO perspectives from KPMG’s 2019 Global CEO Outlook

Australian CEOs are more upbeat in their outlook than their overseas counterparts, and topics such as the need for agility and up-skilling, adapting to climate change, satisfying customers and handling the digital revolution are central to their thinking. To meet these challenges, Australian CEOs are taking a fresh approach – being willing to disrupt, form new strategic partnerships, focusing on M&A strategies, and boosting the skills of their human and robotic workforces to be fit for the future.

Home confidence up, global down

44% are very confident in growth prospects for Australia over the next 3 years, compared to 20% in 2018.

But confidence in the global economy has moderated – with just 12% very confident in 2019, compared to 30% in 2018.
Agility

**Deliberate disruptors**

Agility is the new currency of business, and if they are too slow, they’ll soon be bankrupt.

18% strongly agree and 46% agree that they are proactively disrupting their sector, up from 6% strongly agree and 26% agree in 2018.

<table>
<thead>
<tr>
<th>Strongly agree</th>
<th>Agree</th>
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<tr>
<td>18% 2019</td>
<td>46% 2019</td>
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<tr>
<td>6% 2018</td>
<td>26% 2018</td>
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**Agility**

They need to improve innovation processes and execution.

Resilience and up-skilling

**Boosting C-suite quality**

CEOs are actively transforming their leadership team to strengthen resilience.

38% strongly agree and 38% agree.
Teaming up to transform

It is challenging to find the workers they need.

38% said strategic alliances were their key growth strategy, followed by 26% organic growth.

62% said M&A appetite was driven by the need for transformation.

Climate change poses challenges

Business growth will be determined by the ability to navigate the global shift to a low-carbon, clean technology economy.

28% see climate change risk as the greatest threat to growth.

24% Strongly agree

30% Agree

Meeting society’s expectations

It is the CEO’s personal responsibility to ensure their company’s environmental, social and governance (ESG) policies reflect the values of its customers.

22% Strongly agree

48% Agree
Getting better connected

CEOs are responsible for connecting the front, middle and back offices to build a ‘connected enterprise’.

- 40% Strongly agree
- 30% Agree

A connected enterprise creates a stronger brand experience for customers.

- 36% Strongly agree
- 50% Agree

Improving understanding of customers

CEOs believe they could significantly improve understanding of their customers.

- 32% Strongly agree
- 34% Agree

Investments in personalising the customer experience have not had the growth benefits they hoped.

- 18% Strongly agree
- 32% Agree

This was a leap from 2018, in which 2% strongly agreed and 32% agreed.

Clouds on the horizon

CEOs are more confident about increasing the use of cloud technologies.

- 26% Strongly agree
- 42% Agree

CEOs have concerns about migrating business data to the cloud.

- 16% Strongly agree
- 42% Agree
Machines taking charge

44% are piloting and 48% are beginning implementation of the automation of their processes.

Braced for cyber-attack

Becoming a victim of a cyber-attack is now a case of ‘when’ not ‘if’.

The level of cyber-attack preparation is varied.

16% Strongly agree
26% Agree
24% Very well prepared
52% Well prepared

For the full 2019 Global CEO Outlook report, visit our website.