



CEO Outlook Jordan 2021

People first and digitally-enabled

December 2021
KPMG in Jordan

Foreword

Optimism is back in the boardroom.

With the economy's engines once again churning away — more strongly than at any point over the last two years — we are proud to launch our inaugural KPMG CEO Outlook for Jordan to examine leadership strategies and challenges during these demanding times. This CEO Outlook publication is based on our annual global survey and part of our global effort to gauge how the thinking of CEOs evolves. If one word could summarize our report, it is optimism — a remarkable and reassuring shift.

CEOs in Jordan have high expectations for economic growth, mirroring global CEOs' growth confidence, which is approaching pre-pandemic survey levels — To capture this growth potential, leaders are hiring, exploring partnerships and proactively investing in disruptive technology. CEOs are strengthening their organization's purpose to meet stakeholder demands and because they increasingly see it as benefitting their financial performance.

The risk profile of CEOs in Jordan focuses on longer-term concerns like disruptive technology risk and climate change, which far outrank acute pandemic-related risks like territorialism and supply chain risk. As a result, leadership is now able to concentrate on activities to support their aggressive growth strategies.

Environmental, social and governance (ESG) policies are gaining importance for CEOs. The survey results show corporates are ready to work closely with government to make good on their ESG commitments and are prepared to be held accountable for delivering on them.

We may not be back to business as usual just yet — especially with the threat of new variants and what that may mean for growth. But like the many CEOs we interviewed, I share their optimism, and would like to thank them for taking the time to participate in our survey. The opportunity to build a stronger, more sustainable future exists only if we work together, for better.

I hope you will find this first edition of our CEO Outlook Jordan insightful and relevant for your business or organization.

Hatem Kawasmy
Managing Partner
KPMG in Jordan



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Key findings

Jordan's connected CEOs are people first and digitally-enabled, and embrace tough leadership challenges. They can deliver on their purpose commitments, making the ESG investments and changes necessary to address inequity and launch the race to net zero. They look to drive growth and prosperity through digital agility and business model innovation, while aiming to ensure aggressive technology investments are matched by investment in human capabilities and skills. They pursue purpose to drive profitability and long-term growth while also recognizing their wider responsibilities to planet and people.

Key developments are focused on how today's CEOs in Jordan grow their organizations and emerge stronger:

CEOs are optimistic, confident and expect aggressive growth through investing in technology, but are also emphasizing reskilling and training to make sure those investments are maximized. Inorganic growth strategies are also a popular choice to seize opportunities in a market increasingly defined by consumers moving online.

With increased stakeholder pressure to build back better, CEOs are supercharged **to increase investment into ESG priorities and stay true to their purpose.**

With people returning to places of work, and society increasingly looking for business to lead a return to normal, **CEOs are shying away from making wholesale changes to the future of work** — but they recognize employee demand for continued flexibility.

Executive summary

The road to renewal

Despite continued uncertainty and risk volatility, CEOs in Jordan are confident and optimistic about growth, feel a strong connection to their purpose and are looking to drive expansion.

Rebounding growth

60% of global CEOs are confident about growth prospects for the global economy (up from 42% in March of this year). In Jordan, confidence is high for both country and one's own company, standing at 72% and 92% of CEOs, respectively.

Leading with purpose

As the public looks to leaders to drive progress on major societal challenges, 72% of Jordan-based CEOs are using their corporate purpose to address the needs of their stakeholders.

Accelerating growth and the digital agenda

M&A appears to be critical to powering growth and acquiring digital capability — 84% of CEOs in Jordan say they are looking to make deals in the next three years.

Trusted purpose

With increased stakeholder pressure to build business back better, CEOs in Jordan are embedding ESG into business strategy.

Putting people first to drive societal return

76% of CEOs in Jordan say their response to the pandemic has shifted their focus to the social component of ESG programs. 88% of CEOs find purpose to be central to building their brand reputation.

Collaborating to power sustainability

Making progress on climate change requires action from both businesses and government. 56% of Jordan-based CEOs plan to invest more than ten percent of their revenues in becoming more sustainable.

Connecting ESG strategy with financial returns

While 52% of Jordan-based CEOs believe their ESG programs improve financial performance, 28% say ESG programs reduce financial performance because of the upfront investments and necessary business model changes.

Digital agility

CEOs in Jordan are strengthening their organization's digital advantage by building a more flexible future of work and operating as part of digital ecosystems.

Disrupting the disruptors

CEOs see the bright side of technological disruption, with 72% in Jordan seeing it more as an opportunity than a threat. However, only 44% say their organization is actively disrupting their sector, compared to 73% globally.

Partnering for transformation and resilience

88% percent of Jordan-based CEOs say protecting their partner ecosystem and supply chain is just as important as building their own cyber defenses.

Building a flexible future of work

CEOs need to decide on an operating model for the future that works for both employers and employees. 72% of CEOs in Jordan say they will have most employees working remotely at least two or more days a week but only 8% are downsizing office space.

The road to renewal

The pandemic was a test of leadership for CEOs: the best leaders protected the health and well-being of their employees, made big decisions amid uncertainty and adapted their leadership approach in a virtual environment.

Today, CEOs are facing new challenges as their organizations manage the ongoing impact of the pandemic. They are balancing the potential to drive growth and transform their business with uncertainty around the potential of an uneven global recovery and the impacts of new virus variants and vaccine inequality.

Connected CEOs recognize the prerequisite for succeeding in a rapidly evolving landscape is being plugged-in. This means building a digital core, connecting back, middle and front-office functions to focus on the customer all while remaining resilient to cyber risk. This also means making sure the business models stay relevant, and deciding which businesses to divest or add, and whether to reallocate capital expenditure to new digital growth opportunities.

Still, To fully realize the transformative benefits of digitalization, CEOs should have a people-first mindset, not only investing in new technologies, but also human capability.

Finally, CEOs want to be purpose-led — winning the trust of stakeholders and helping build a more prosperous, equitable and sustainable world. Purpose-led CEOs follow through and deliver on previous commitments and statements with bold ESG programs.

Sustained growth is about connecting these three priorities.

Rebounding growth

Despite the continued uncertainty of the Covid-19 pandemic, the survey shows the perspectives and confidence of CEOs have shifted. CEOs are more optimistic about growth: for the first time since early 2020, prior to the pandemic, more than half (60%) of global CEOs are confident about the growth prospects of the global economy over the next three years.



“The dealings with the pandemic have enriched our organization's experience in dealing with such emergencies and shed light on our strategic strength.”

Dr. Maen Nsour
CEO
Arab Potash Company

In Jordan, confidence is high as well. 72% of CEOs are confident in Jordan's economic growth prospects over the next three years and 92% are confident in their own company's growth prospects.

Economic forecasts are in line with our survey. According to an October 2021 IMF forecast, Jordan's economy is predicted to grow 2.0% in 2021 and 2.7% in 2022.*

To deliver on this growth, organizations will need to make sure they have the right talent with the right skills to bring their growth plans to life. The research found 84% of CEOs in Jordan plan to increase headcount over the next three years, with 20% planning an increase of more than six percent.

Recognizing the need to prepare their employees for the introduction of new technology, 56% of Jordan-based CEOs say they are investing more in developing their workforce's skills and capabilities than in buying new technology. This paradigm is different for global CEOs: 40% of them are putting more emphasis on people investments rather than technology investments. However, this figure is a notable increase from 33% in 2020.

New risks to growth have emerged as the pandemic has evolved. Jordan-based CEOs identified disruptive technologies, climate change, cybersecurity risk and tax risk as the biggest barriers to growth. The top three risks cited by global CEOs were supply chain, cybersecurity and climate change risk.



of CEOs in Jordan see technological disruption more as an opportunity than a threat.

Disruptive technology has always been a transformative force in business, but never more than it is now. CEOs see it as a risk in large part because of the unknown — emerging technologies often have hidden implementation risks and can expose organizations to new vulnerabilities. It is not all bad though, 72% of CEOs in Jordan see technological disruption as more of an opportunity than a risk.

Cybersecurity risk is intrinsically linked to disruptive technology risk. As organizations permanently move some or all of their operations remote, they become vulnerable to cyberattacks — a reality reflected in the survey results.

CEOs should ensure that their current cybersecurity strategy is aligned with both their business and IT strategies, and that the cybersecurity architecture is reflected in the enterprise architecture," commented **Ton Diemont, Head of Cybersecurity at KPMG in Saudi Arabia and the Levant**. "Only then the cybersecurity strategy will brace against evolving cyber risks."

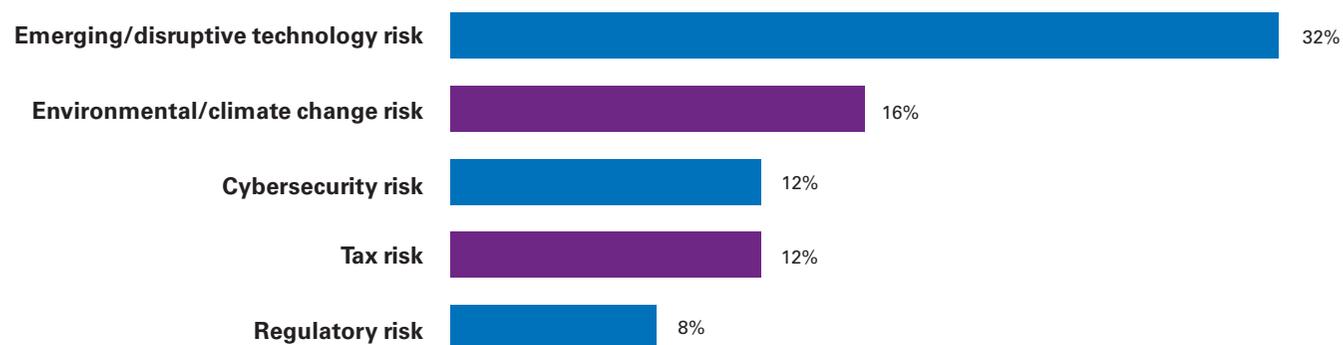
*International Monetary Fund, World Economic Outlook: Recovery during a pandemic (October 2021)

“ A combination of several new, pandemic-related risk factors has increased the importance — and difficulty — of the audit process. The risk identification and assessment process must be dynamic and account for how an organization's environment has changed due to the pandemic. ”



Rabih Shalabi
Partner and Head of Audit
KPMG in Jordan

Which of the following risks pose the greatest threat to your organization's growth?



"The rapid and uneven economic recovery and a change in consumer behavior increased the demand for import and manufactured goods and caused a shift in the governments' perceptions of supply and food security," **Dr. Maen Nsour, CEO of Arab Potash Company** said. "Such changes increased the demand for containers and bulk shipments more than anticipated to a level that was not met with sufficient supply."

Tax risk is tied for the third biggest risk to growth in Jordan. This view is held among global CEOs as well — three out of four of them believe the pressure put on public finances by the pandemic response has increased the urgency for multilateral cooperation on the global tax system. In turn, 77% of them agree the proposed global minimum tax regime is of significant concern to their organization's goals on growth.

80% of CEOs in Jordan saw their supply chains come under stress during the pandemic

Supply chain risk ranked high for global CEOs, and saw a 10 percentage point increase from 2020. In Jordan, the risk looms large as well, with 80% of CEOs saying their supply chains have been under increasing stress.

"The pandemic has increased supply chain risk and will have a lasting impact on trade," commented **Kenan Nouwailati, Supply Chain & Procurement Lead at KPMG in Saudi Arabia and the Levant**. "We are seeing organizations coming up with novel solutions and invest heavily in capabilities to make sure their goods get in and out the door on time."

“ In Jordan, tax risk ranked relatively high for CEOs. This reflects global sentiment, where we have watched tax issues climb the priority ladder of CEOs in recent years. With the breadth and depth of change coming to tax systems around the world, the reputational, structural and financial stakes have never been higher. ”



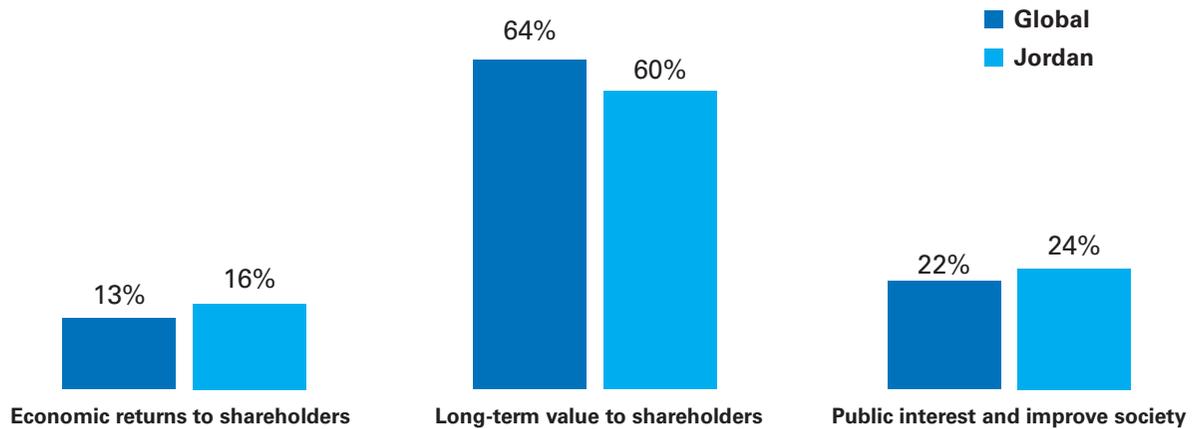
Amin Husein
Partner and Head of Tax
KPMG in Jordan



“The pandemic uncovered a need for us to address a wider range of stakeholders—rather than just investors and the government—because our critical role in society.”

Kholoud Saqqaf
CEO
Social Security Investment Fund

Which of the following describes your view of the overall objective of your organization?



Leading with purpose

The convergence of issues ranging from climate change to social tensions has created widespread uncertainty and has called into question the role institutions play in the world today. In this context, stakeholder expectations of businesses have risen, and the actions of organizations and their leaders are under increasing scrutiny. Today, CEOs aim to deliver the shareholder returns investors expect while helping build a better future for society.

“The pandemic uncovered a need for us to address a wider range of stakeholders—rather than just investors and the government—because our critical role in society,” **Kholoud Saqqaf, CEO of the Social Security Investment Fund (SSIF)** said. “We used social media to reach Jordanian citizens to reassure them, serve them and keep them well-informed.”

Corporate purpose is key to meeting an organization's goals. Purpose is connected to a company's role in society, its impact on the environment, how it sustains long-term value and how it operates within its community. It essentially answers the question as to why a company is in business and how it will stay relevant.

CEOs recognize the importance of purpose. 88% of Jordan-based CEOs said purpose is central to building their brand reputation. This reflects the transition of business to multi-stakeholder capitalism, with 84% of CEOs in Jordan long-term value for stakeholders and improving society are their company's primary objectives rather than economic returns to shareholders, which was cited by 16% as the primary objective. The global figures tell a similar story.

Accelerating growth and the digital agenda

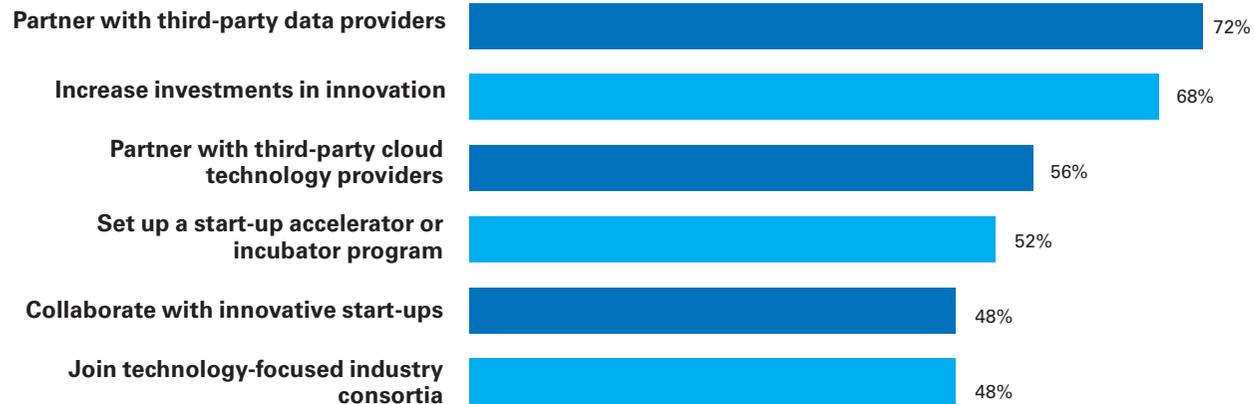
Optimism is high, with 92% of Jordan-based CEOs confident in their own company's growth prospects, and inorganic strategies will be key to achieving this ambition.

As CEOs look to react quickly to how markets have changed during the pandemic — particularly digital-driven changes in consumer preferences — M&A will likely be key to quickly building new capabilities and capitalizing on growth opportunities. In Jordan, 84% of CEOs say they are looking to make deals in the next three years. Among that number, 32% characterize their M&A appetite as high.

In addition to M&A, partnerships and industry collaboration will be important for driving digital innovation and acquiring technology capabilities. In pursuing growth, 72% of Jordan-based CEOs intent on partnering with third-party data providers and 56% with third-party cloud technology providers, while 52% intend on setting up a start-up accelerator.

The research shows Jordan-based CEOs are even more ambitious than global CEOs in their technology investment strategies, with 84% saying that they need to be quicker to shift investment to digital opportunities and divest businesses that face digital obsolescence, compared with 78% globally.

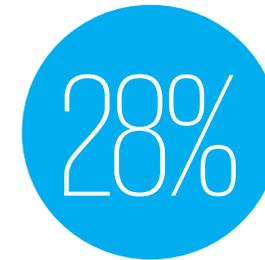
How are you looking to achieve your organization's growth objectives?



Jordan-based CEOs on their growth strategies:



say they will primarily use inorganic tactics, including strategic alliances with third parties (36%), M&A (20%) and joint ventures (16%).



make organic growth — such as innovation and R&D — their most important route to growth.

Trusted purpose

Today, corporate purpose is a business imperative. Key stakeholders — from customers to institutional investors — expect companies to have a positive impact on a range of areas, from driving diversity to helping protect the planet.

But a common challenge with purpose is how CEOs can turn it from a statement of intent to real actions by executing on their high-level commitments. Focusing on a bold ESG program can help identify key opportunities and challenges and allow CEOs to demonstrate how they can deliver on their purpose.

Putting people first to drive societal return

Over the past eighteen months, the world has not only become faster as digital acceleration took hold, it has also become more divisive and fractious. In major economies, social tensions are on the rise, with a focus on addressing inequality. CEOs are cognizant of this public mood and the research shows they embrace the role companies can play in driving total shareholder return and total societal return.

"CEOs are under increasing pressure from stakeholders to deliver on ESG goals and to actively address societal issues," said **Muhammad Tariq, Head of Audit at KPMG in Saudi Arabia and the Levant**. "It is crucial in today's landscape that businesses and their leadership teams show real-world examples of their dedication to building a better future."

Today, we see a major focus on the social in ESG, with 76% of Jordan-based CEOs stating that their response to the pandemic has caused their focus to shift toward the social component of their ESG program.

Though the effort is jointly led by business and government, governments around the world have been setting the tone through large relief packages. Earlier this year, the Jordan government released pandemic stimulus packages and relief measures for citizens and struggling sectors at a total value of JD448 million. The packages aimed to protect existing jobs in the private sector, stimulate employment and mitigate the pandemic's impacts on the public transport sector and investment activities in development zones.

85% of CEOs in Jordan (71% globally) said they will be increasingly held personally responsible for driving progress in addressing social issues. Jordan-based CEOs are more confident in their ability to deliver: 44% say with public, investor and government expectations of diversity and inclusion rising so fast, they may struggle to meet expectations, compared with 56% globally.



“The pandemic has ushered in a greater emphasis on creating safe, healthy workplaces, and keeping both employees and customers protected.”

Ghassan Nuqul
Chairman
Fine Hygienic Holding

In Jordan, 36% of CEOs feel that the pandemic's negative impact on women in the workplace has made it difficult to achieve their gender parity goals at the leadership level. The pandemic has had an impact on more than just expectations.

Collaborating to power sustainability

Action to limit climate change and reduce carbon emissions in the race to net zero has never been more important. Making progress on addressing sustainability issues, including climate change and the decarbonization of the economy, will require strong collaboration between business and government. CEOs in Jordan are looking to devote significant capital to becoming more sustainable, with 56% planning to invest more than 10% of revenues in their efforts, compared with 30% of global CEOs.



of CEOs in Jordan planning to invest more than 10 percent of their revenues in their efforts to become more sustainable.

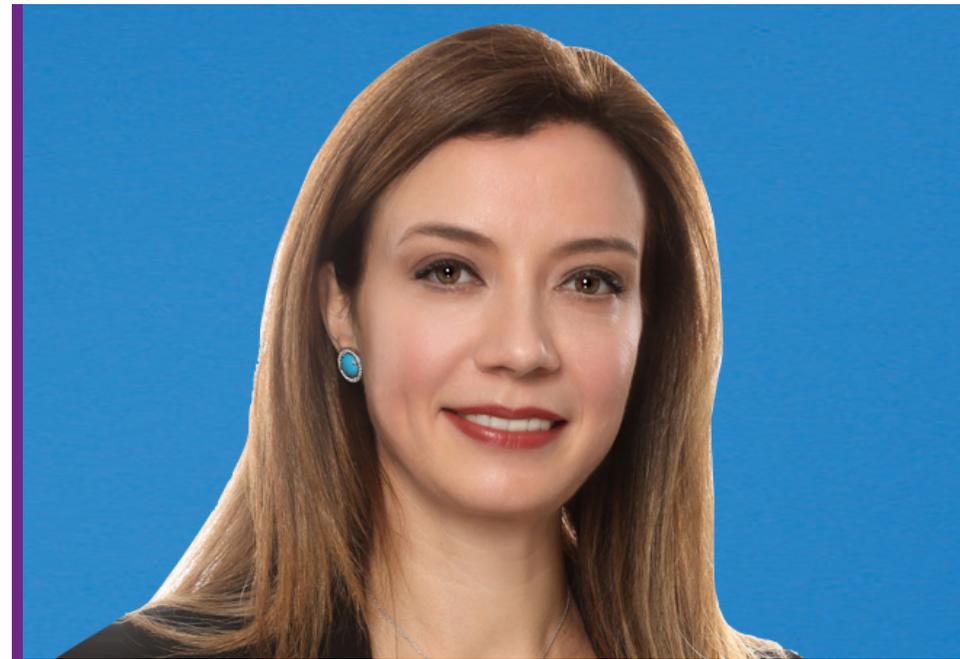
From the paper products sector to the banking sector, companies in Jordan are stepping up to contribute to global efforts at combating climate change.

"Our hygienic paper products are certified by the Forest Stewardship Council, and are made from 100% virgin pulp, a renewable resource," **Ghassan Nuqul, Chairman of Fine Hygienic Holding** said. "We are also industry leaders in implementing efficient water conservation practices. At our Jordanian site, in one of the world's most water poor countries, our wastewater recycling initiative has reduced freshwater consumption by a quarter each year since implemented in 2018."

The banking sector, which itself is not a huge emitter of CO₂, is changing to make both its operations more sustainable and its financing more directed towards sustainability-related projects.

Citi Jordan's ESG agenda is part of the global one of Citi," **Nour Ghazi Jarrar, CEO of Citibank Jordan** commented. "From 2014 to 2019, we financed and facilitated \$164 billion in low-carbon solutions. Citi has a Global Green Team Network with more than 4,000 employees in 16 countries that helps plan, manage, and implement educational workshops, volunteer activities, and other environmental awareness initiatives."

The financing side of the climate change equation is critical, and banks are playing a leading role in the effort. Jarrar explained how during the pandemic, "Citi launched its 2025 Sustainable Progress Strategy which includes a five-year commitment to finance and facilitate \$250 billion in environmental activities. In conjunction with financing, we work with our clients to evaluate their climate risks and vulnerabilities while continuing to minimize our own company's direct impacts on the planet."



“Stakeholders are focusing their attention on the breadth of climate-related risks and opportunities, but employees also play a role in achieving sustainability. We provide Environmental and Social Risk Management training to employees, enabling them to spot potential risks.”

Nour Ghazi Jarrar

CEO

Citibank Jordan

Connecting ESG strategy with financial returns

As CEOs plan to devote significant capital to becoming more sustainable, it is important their digital investments are plugged into their ESG needs. Neither can be done in a vacuum, as 72% of Jordan-based CEOs say their digital and ESG investments are inextricably linked.

CEOs are paying attention to the connection between their ESG programs and their company's financial performance. In Jordan, 52% of CEOs say that their company's ESG program improves financial performance, compared to only 36% of global CEOs. This sentiment in Jordan may be a bellwether for the future, which will be increasingly defined by ESG-minded investors and customers choosing to support companies who align with their values.

"Our investment strategy has been impacted by the pandemic in that it propelled us towards further self-sufficiency and sustainability," **Kholoud Saqqaf, CEO of SSIF** said. "We were already focused on this, as evidenced by our recent major infrastructure investments in the green energy and health sectors, but now we are doubling down on it."

SSIF's investment sentiment is felt around Jordan, with more than half of surveyed CEOs committed to investing more than 10% of their revenues in programs that enable their organization to become more sustainable.



of CEOs in Jordan that see a desire from stakeholders for increased reporting and transparency on ESG issues.

In Jordan and around the world, an ecosystem is being built around companies to support their ESG programs. Part of this ecosystem is meant to create standardized measures to grade an individual company's ESG impact. In Jordan, 68% of CEOs see a desire from stakeholders — such as investors, regulators and customers — for increased reporting and transparency on ESG issues.

"CEOs across the globe are responding to a stakeholder desire for ESG programs to fit squarely into an organization's purpose," commented **Ovais Shahab, Head of Financial Services at KPMG in Saudi Arabia and the Levant**.

"Exposure to global financial markets and heightened attention from ratings agencies have invigorated Saudi banks on their ESG progress."

Jordan-based CEOs stress progress on sustainability and climate change is driven by both the public and private sector. 64% say government stimulus is required to turbocharge climate investments being made by the business community. 92% of surveyed CEOs found that world leaders at **COP26** in October in Glasgow must inject the necessary urgency in the climate change agenda.

“Increasing awareness of climate change and its effects have raised the pressure on CEOs to deliver on ESG goals and to actively address societal issues. It is crucial in today's landscape that businesses lead the positive change and consider ESG in their strategies.”



Gina Hamameh
Director, Advisory
KPMG in Jordan

Digital agility

Disrupting the disruptors

CEOs recognize digital agility lies at the heart of how companies can create new sources of value. As part of their digital agendas, digital resilience can be a key strategy to keep organizations ahead of the curve, as it both helps in identifying disruptive technologies and protecting organizations from cyberthreats once those technologies are implemented.

While this is an opportunity, it is also a risk: the acceleration of digital technologies means business models that have existed for years can quickly become obsolete and irrelevant.

"At Arab Bank, we have leveraged transformative new banking technologies by developing an internal digitalization culture to allow our colleagues to understand new trends and implement them in the design of new customer facing digital solutions," **Nemeh Sabbagh, CEO of Arab Bank** commented.

Digitalization is shaping industries ranging from the banking sector to the publishing industry in Jordan. "Digitalization has been the biggest driver of transformation in the publishing industry," **Rami Alqawasmī, CEO of Mawdoo3** said. "Mawdoo3 to the average reader looks like an online content provider, but under the hood, it is a technology company. We invested heavily in content production technology and, using AI technology to improve the efficiency of language and plagiarism checks, we increased our production throughput using the same human capital."

Partnering for transformation and resilience

Companies across the world are operating as part of digital ecosystems — collaborating with partners, suppliers and even competitors to drive operational performance, identify new digital revenue streams and create compelling digital customer experiences that deliver on an organization's purpose.

"Leaders are increasingly seeking out partnerships to boost their resilience and push their digital transformation agendas," said **Adib Kilzie, Customer Experience, Cloud and Enterprise Lead at KPMG in Saudi Arabia and the Levant**. "Especially in areas like cloud computing and customer experience, organizations are forming partnerships and alliances to grow their know-how and explore new market pursuits."



“ We have leveraged the most transformative new banking technologies by developing an internal digitalization culture to allow our colleagues to understand new trends and implement them in the design of new customer facing digital solutions. ”

Nemeh Sabbagh

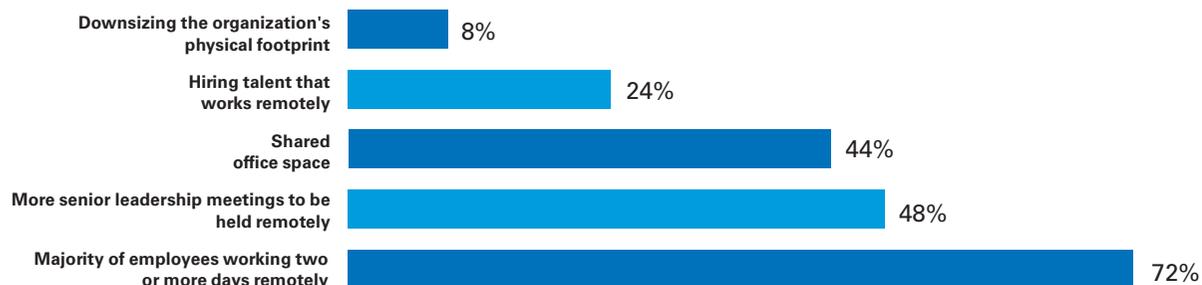
CEO
Arab Bank

But as companies digitally connect their systems and share data with partners, they need to make sure systems and data — especially customer data — are secure. Purpose-led, sustainable cyber security practices help digital ecosystems thrive, bounce back from attacks and instill confidence that a business is well governed. The research shows CEOs in Jordan recognize the importance of building cyber security into collaborations and ecosystems.

With only 40% percent of Jordan-based CEOs saying their organizations are well-prepared for a cyberattack and 52% saying they have a plan if faced with a ransomware attack, there is plenty of progress to be made.

But if acceptance is half the problem, how do these organizations then solve the remainder? Over half of survey participants in Jordan (52%) say that, over the next three years, they will invest to develop secure cloud-based technology infrastructure or will embed security principles into the design of future systems and services.

What impact do you foresee the Covid-19 having on the organization for the coming three years?



“ The global pandemic has caused business leaders to rethink their operations and the role their employees play in the future of their business. As these changes progress, smart CEOs are rethinking their governance and risk management practices to fit the new working reality. ”



Mohammad Abudalo
Advisory Leader
KPMG in Jordan



“ Digitalization is not only changing the content consumption channel, but the whole cycle from content creation to the delivery to the reader. ”

Rami Al-Qawasmi
CEO
Mawdoo3

Many respondents also showed a nuanced understanding of the matter. For example, 88% said both that protecting their partner ecosystem and supply chain is just as important as building their own cyber defenses and that it will take an industry-wide approach to properly address the issue of ransomware demands.

This realization that one cannot simply put a 'wall around their garden' is a positive indicator. A 'community approach' could lead to greater cooperation with industry peers and law enforcement agencies to disrupt organized cyber-crime.

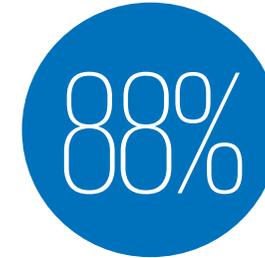
Building a flexible future of work

With people returning to places of work, and governments increasingly looking for business to lead a return to normal, CEOs are focusing more on flexibility rather than wholesale changes to office-based work.

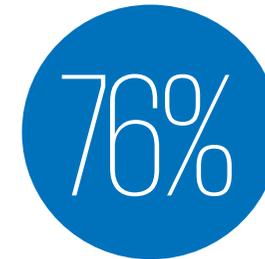
Only 8% percent of Jordan-based CEOs plan to downsize (or already have downsized) their physical footprint or office space because of the pandemic and changing working habits. 21% of global CEOs are downsizing — a steep decline from the 2020 CEO pulse survey that was done three months after the start of the pandemic in the summer of 2020 where 69% were aiming to downsize.

However, they are prioritizing flexibility. 72% of Jordan-based CEOs say their organization will have most employees working remotely at least two or more days a week. As well, 24% percent of Jordan-based CEOs indicate they will look to hire talent that works predominantly remotely, though this is lower than the 42% global response. 48% percent of Jordan-based CEOs want a large proportion of senior leadership meetings to be held remotely.

CEOs are recognizing the importance of cybersecurity throughout the value chain:



say protecting our partner ecosystem and supply chain is just as important as building our own organization's cyber defenses.



say a strong cyber strategy is critical to engender trust with our key stakeholders.

Reflections on the way forward

There are three action areas today's connected CEOs can focus on as they look to grow and manage the ongoing impact of the pandemic.

Growth and resilience

Many organizations coped extremely well with the pandemic, showing resilience as they dealt with notable change, uncertainty and disruption. But resilience will also be key to economic recovery. Along with specific interventions — from managing talent risk to building cyber defenses — CEOs will need to surround themselves with resilient people. There are two priorities:



Resilience is also about having a team of motivated and engaged employees who are determined in the face of crisis. This means energizing them behind a compelling purpose and giving them the ability to respond quickly to emerging threats.



Shift to agile and digital business models. Though the pandemic now appears in a more manageable phase, organizations need to invest in agile and digital business models to be prepared for future disruptions to business.

ESG and financial value

The research shows there is still a significant number of CEOs who remain unconvinced about the positive financial impact of ESG programs. To help build a connection between ESG and financial growth, CEOs need to focus on two areas:



Identify the ESG investments that are necessary to drive long-term value, such as decarbonization efforts. This needs to include investments in digital solutions to address major sustainability opportunities and risks. As well, set out how ESG initiatives can directly drive revenue growth through opportunities for innovative new products and services.



Establish metrics and standards for reporting on ESG performance, which sets the ambition level and ensures the company can communicate a compelling ESG story to investors and other stakeholders.

The future of work

CEOs recognize the future of work is about more than where people are based. High-performing organizations can flex their technology muscles and their ability to upskill their people. This means having a motivated and highly skilled digital workforce who operate with speed and agility.



CEOs should invest in digital skills as well as technology modernization. This isn't simply so their people can use these new tools, but to help foster a digital-first culture where people naturally look to integrate technology into their work.



CEOs should ensure the decisions about the future of work deepen the extent to which employees are engaged and committed to the company. Leaders are obviously keen to see their people return but many employees are still anxious to hang on to those areas of work-from-home that are advantageous.

Methodology and acknowledgments

The KPMG 2021 CEO Outlook provides an in-depth three-year outlook from 1,325 global chief executives of major organizations on enterprise and economic growth, out of which 25 CEOs from Jordan were surveyed.

This latest research is part of the KPMG CEO Outlook series, which offers a unique perspective on the mindset shift of global CEOs over the lifetime of the Covid-19 pandemic and looking forward to post-pandemic recovery. As well as this survey, which took place in July and early August, we also conducted a CEO Outlook pulse survey of 500 chief executives in January and February of this year. This allows us to examine how CEO thinking has evolved over the course of 2021.

Global CEOs are drawn from companies with annual revenue over US\$500 million and a third of the companies surveyed have more than US\$10 billion in annual revenue, with no responses from companies under US\$500 million. The 25 Jordan-based CEOs represent a significant portion of the Jordanian economy, and all 25 companies have annual revenues above US\$500 million and 36% have revenues above US\$1 billion.

Some figures may not add up to 100 percent due to rounding.

We would like to thank the following for their contributions:

Dr. Maen Nsour, CEO, Arab Potash Company

Kholoud Saqqaf, CEO, Social Security Investment

Ghassan Nuqul, Chairman, Fine Hygienic Holding

Nour Ghazi Jarrar, CEO, Citibank Jordan

Nemeh Sabbagh, CEO, Arab Bank

Rami Al-Qawasmi, CEO, Mawdoo3



Contacts



Hatem Kawasmy
Managing Partner
KPMG in Jordan
E: hatemkawasmy@kpmg.com



Rabih Shalabi
Partner and Head of Audit
KPMG in Jordan
E: rshalabi@kpmg.com



Amin Husein
Partner and Head of Tax
KPMG in Jordan
E: ahusein@kpmg.com



Mohammad Abudalo
Advisory Leader
KPMG in Jordan
E: mabudalo@kpmg.com

Contributors

Peter Bannink, Thought Leadership Lead
Siddiqah AlhajSaleh, Senior Associate, PR & Communications

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