2020 CEO Outlook: Energy

Resiliency in the face of unprecedented challenges

Energy CEOs embrace sustainability



want to lock in sustainability and climate change gains from the public health crisis.



said managing climate risk will determine if they can keep their jobs over the next 5 years



COVID-19 has shown need to focus on social components of ESG

Accelerate the adoption of digital technologies



COVID-19 has accelerated new business models by months, in some cases, years.



accelerated efforts to digitalize operations and create a next-generation operating model since the outbreak began



recognize the need to enhance communication with customers and accelerating digitalization of customer-facing applications.



Approximately half plan to invest capital in new technology, digitalization, workforce skills, and capabilities.

Modernizing ESG practices is becoming a priority for every industry, from energy to technology to healthcare to retail, to support both financial performance and resilience. As a result, global organizations are looking to integrate environmental and financial risks associated with the cost of carbon into their real estate portfolio approach, using emerging technologies to validate their data and strategy.

 Mike Hayes, Global Head of Renewables, KPMG International Limited Collectively, the energy industry learned a critical lesson from the COVID-19 pandemic and simultaneous geopolitical events that disrupted the oil industry: if we want to survive, we must be agile and re-think all facets of our operating models to remain resilient in this new reality. This includes our part in the energy transition, our approach to people and talent, and our digital readiness. Companies that get this right will do more than survive—they'll thrive.

 Regina Mayor, Global Head of Energy, KPMG International Limited



The new energy workforce

- CEOs identify talent risk—recruitment, retention, employee health and wellbeing—as the greatest threat to growth; prior to the pandemic, it was barely on their risk radar.
- Nearly 70 percent expect to downsize their office space



Energy employees embrace remote work

As of July 2020



still working remotely.

82%

believe their organizations will maintain flexible work arrangements after it's safe to return



are split about 50/50 between on site and home

Compared to earlier in the year



are happier at work



73%

report an improved work/life balance

KPMG American Worker Pulse Survey, July 2020



