Results
Trade & Governance

Rethink
Growth & Sustainability

Africa at a Crossroads

13th Annual Global CEO Survey
African edition

Risk
Managing Change

Realise
Education, Skills & the Future of Work

PRICEWATERHOUSECOOPERS

Introduction

The publication of 'Africa at a Crossroads' coincides with the 20th annual World Economic Forum on Africa in Dar es Salaam, Tanzania. Meeting under the theme, 'Rethinking Africa's Growth Strategy', business, government and civil society leaders will be addressing many of the most compelling challenges and opportunities facing African economies.

This publication seeks to highlight various features of the African business environment through the lens of business leaders. Drawing upon hundreds of interviews and surveys with CEOs in Africa as well as the expertise of many PwC senior partners, 'Africa at a Crossroads' is a unique analysis of the factors influencing companies and organisations.

'Africa at a Crossroads' summarises findings from PricewaterhouseCoopers' 13th Annual Global CEO Survey, interviews with dozens of CEOs for PwC's CEOs Most Respected Company awards in East Africa and many other interactions with CEOs throughout Africa who generously contributed their time towards an informed and cumulative understanding of the African business environment.

I would like to take this opportunity to thank the business leaders and others who contributed directly and indirectly to 'Africa at a Crossroads'. I would also like to extend a warm welcome to all of the delegates and participants attending the World Economic Forum on Africa. I hope that the Forum is an opportunity to delve even deeper into the factors influencing Africa's future competitiveness. At the Forum, and through publications like this one, we can gather together, aggregate experience and seek clarity on the challenges—as well as the tremendous opportunities—of doing business in Africa.

Philip Kinisu
Territory Senior Partner & CEO, Africa Central

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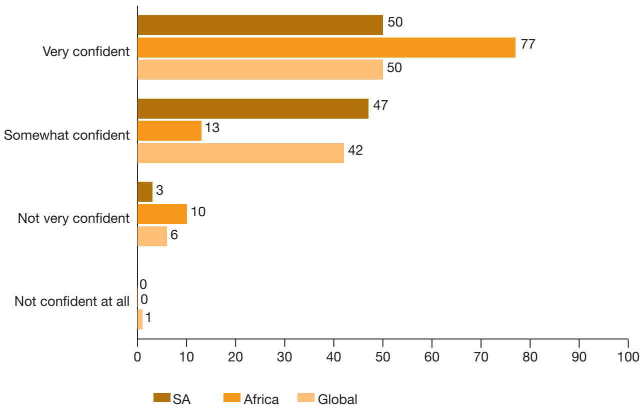
Africa at a Crossroads

The business environment in Africa is showing tremendous promise. An emerging middle class, improved economies of scale, better savings rates, peace across much of the continent and strengthening capital markets and educational opportunities are driving domestic, regional and pan-African investment, as well as global trade. These factors, among others, are paving the way for large-scale investments in socio-economic development. Demand is rising and proven, but the challenge for Africa is to move beyond the development stage to actualisation. This is Africa at a crossroads.

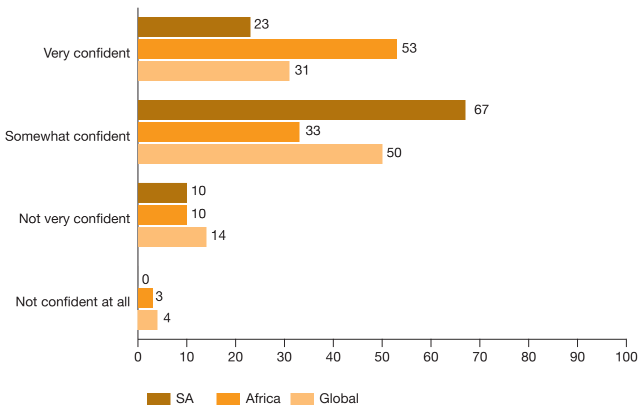
African business leaders consistently demonstrate pragmatism and optimism—particularly compared to their global counterparts, whose confidence was more significantly undermined by the recent global economic crisis. Africa's immense growth potential could help explain high levels of confidence compared to that of business leaders elsewhere, many of whom work in mature markets that were heavily impacted by the crisis.

The results of PricewaterhouseCoopers' (PwC) 13th Annual Global CEO Survey and the South African edition indicate significant optimism amongst African CEOs for the prospects of revenue growth over the next 12 months and 3 years.

How would you assess your level of confidence in prospects for the revenue growth of your company over the *next 3 years*?



How would you assess your level of confidence in prospects for the revenue growth of your company over the *next 12 months*?

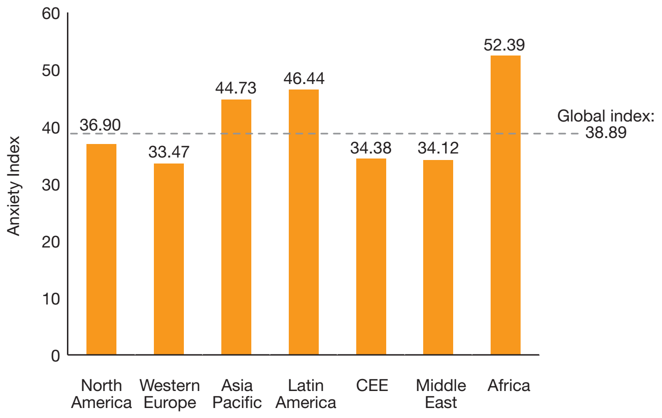


The African business community has not been entirely immune to the global economic crisis, but responses to the crisis have tended to be mixed with responses to a variety of other challenges. As such, the optimism of African business leaders must be considered in the context of vast complexity across the continent.

The depth and variety of challenges affecting African businesses influences CEOs' 'Anxiety Index', a measure of relative concern about 20 potential threats to business growth prospects. CEOs in Africa simultaneously demonstrate the highest confidence as well as the highest anxiety of CEOs anywhere.

CEOs in Africa simultaneously demonstrate the highest confidence as well as the highest anxiety of CEOs anywhere

CEOs from Western Europe show the lowest level of concern in the ' Anxiety Index'



To address the risks inherent in doing business in Africa, companies are implementing operating models to ensure long-term survival and increasingly distinguishing between core assets versus those that do not directly or profitably serve their market segments or add value. Long-term, the efficiency of an organisation's business model will be judged by the alignment it has to its strategy and the ways in which it facilitates the most productive use of unique capabilities.

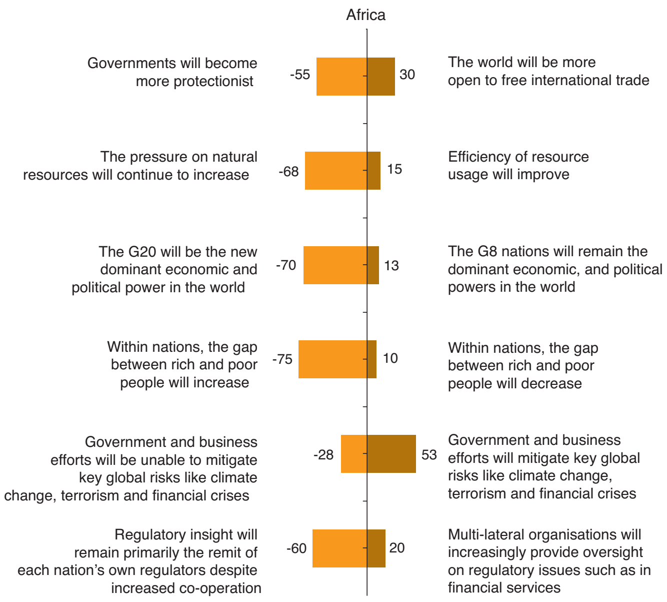
Africa holds the world's largest mineral wealth which is especially valued by emerging markets. A lot of investment will be required to exploit that wealth. With better infrastructure, Africa might also one day be seen as a competitive region for manufacturing. And to the extent that Africa becomes viewed as a unified market of one billion consumers, I think it would be very attractive to investors.

Dr James Mwangi
MD & CEO, Equity Bank

People must understand the full risks businesses undertake and we should not be driven by short-term finance measures... The economic crisis has taught us that it is always better to safeguard your company's future through investment.

Ghanaian CEOs
Global CEO Survey

Which of the following scenarios do you feel is more likely to occur in the future (more than 3 years)?



The global community has been conditioned to assume that Africa lags distantly and irreversibly behind the rest of the world. In my experience, this psychology is self-defeating. An open-minded approach to doing business in Africa yields a great many surprises.

Nancy Onyango
Partner, PwC

Results

Trade & Governance

How well are Africa's regional economic communities (REC) encouraging regional trade and global competitiveness? What institutions and governance structures facilitate growth? What are companies and governments doing to imbed good governance?

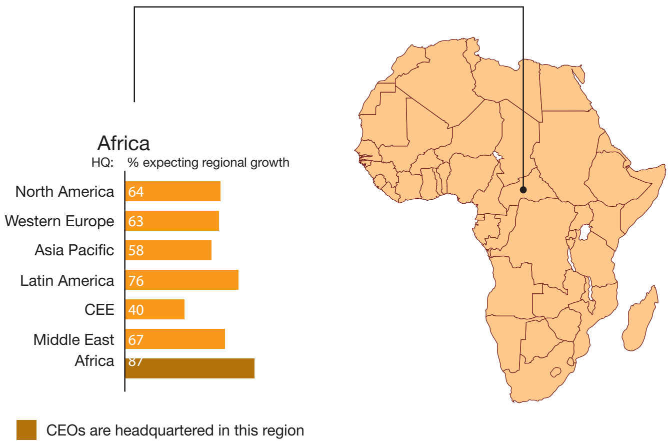
RECs in Africa suffer from a lack of trust. Trade blocs make economic and resource sense because the countries involved are each other's biggest trade partners already. However, a lack of trust between countries and historical tensions are impeding progress. The African Union, in particular, could do more to foster regional cooperation.

> The monetary side [of regional harmonisation] has taken longer because of the regulatory framework around movement of currency and exchange rate issues. At the moment there are a lot of impediments to the free flow of capital, but [regional harmonisation] will help move business to the next level.
>
> Martin Oduor-Otieno
> CEO, Kenya Commercial Bank
> CEO's Most Respected Company Awards live debate:
> *The East African Debate: Rethinking and Reshaping the New Normal,* 20 November 2009

Manufacturing and service companies in Africa are looking at their supply and demand footprint in the context of regional production and distribution. As more and more African companies consider regional expansion, RECs like the East African Community (EAC), the Economic Community of West African States and the Southern African Development Community have the opportunity to influence and spur business growth. Banks, for example, are looking for uniform regulatory structures across individual markets to facilitate regional expansion. Recognising the high cost of complying with multiple regulatory regimes, RECs like EAC are working towards common publication/disclosure requirements for financial statements by regional commercial banks. Across Africa, RECs can support the independence of Central Banks and information sharing amongst them as well as consolidated supervision regimes for regional banks to encourage growth in the sector.

RECs can also facilitate the growth of other industry sectors like manufacturing. East Africa Breweries Ltd's expansion programme across the region is based on an integrated regional supply footprint that reaps production economies of scale. Efficient regional operations can also facilitate innovations like high-yield, pest-resistant crop varieties and effective responses to localised climate challenges like drought. RECs have a pivotal role to play supporting the movement of goods, services and talent across borders through harmonised tax and regulatory structures.

Expectations of regional growth vary by CEOs' headquarters; 87% of CEOs headquartered in Africa expect regional growth in the next 12 months, the highest percentage anywhere in the world.



The complexity of regional trade has become an important catalyst for good governance. Increasingly, companies in Africa are adopting international governance standards. In some cases, companies are voluntarily adopting these standards but more often, they are responding to pressure by capital markets (both African and otherwise). Publicly-traded companies, publicly-accountable companies (large, private employers, banks, insurance companies and others) as well as intermediaries like investment banks are increasingly adopting international standards to compete for capital and business.

An increasing number of government regulatory bodies including capital markets authorities are publishing guidelines for business conduct for both market intermediaries and companies seeking to tap public capital markets. Very often, such as in the case of South Africa's King III Code of Governance, these guidelines draw upon international best practices. Some guidelines are mandatory and some not, but throughout Africa there is a move towards international standards to facilitate the movement of capital.

Growing individual and institutional shareholder classes across Africa are also becoming better informed about the role of governance and international standards of governance and accountability.

Case Study: Information Brokers Aiding Investor Education

In Kenya, the Kengen (2006) and Safaricom (2008) initial public offerings attracted hundreds of thousands of new retail investors to the stock markets. There has been extensive media coverage before and after these public offers and a number of web-based information brokers have sprung up offering near real-time stock market price quotes and charts.

A new company is offering a service to send messages to registered investors' mobile phones whenever the companies that they are interested in make stock market announcements, price changes exceed pre-determined limits and when transactions occur on the investor's central depository account. These developments should lead to a growing investor class that is increasingly well-informed and critical of discrepancies.

African businesses are trying to peer around the corner to see what it will take to win in the post-recession economy. Through one lens, the fundamentals of many African economies look promising. But unless we address our issues around governance and transparency, we will fail to become significant players in the new economic world order.

Ken Igbokwe
Country Senior Partner, PwC Nigeria

Government has a critical role to play in fostering good governance.

Anti-money laundering procedures are not as advanced as elsewhere in the world, and governance influences countries' and companies' credit ratings and their access to international markets. For the moment, the private sector is taking the lead on adopting standards of good governance.

Many of the institutions that failed in the wake of the global economic crisis had comprehensive governance structures. History will judge whether those structures were fundamentally flawed or whether the individuals involved were responsible. African companies are learning from the examples set by their global counterparts by entrusting governance to people with the right skills, individually and collectively, to challenge constructively and ensure effective oversight.

Regulation is necessary, particularly when the game is changing. Government's role is more like a referee's. In the private sector, we need to be proactive, engage government, share the experiences we've had elsewhere and urge government to enforce regulation.

Louis Otieno
General Manager East and Southern Africa, Microsoft
(The East African Debate: Rethinking and Reshaping the New Normal)

With respect to your board, to what extent is your board of directors modifying their behaviour as a result of the economic crisis?

Respondents who stated 'more engaged' or 'significantly more engaged'

	Global	South Africa	Africa
Assessing strategic risks	70	**93**	80
Overseeing financial health	66	**80**	73
Constructively engaging the management team on strategy	61	**73**	53
Focusing on the long-term key performance indicators	60	67	**73**
Ensuring regulatory compliance	52	**77**	47
Enforcing high ethical standards	50	**63**	57
Assessing the leadership pipeline for succession planning	50	**60**	57
Aligning executive compensation with long-term performance	48	57	**60**

Rethink

Growth & Sustainability

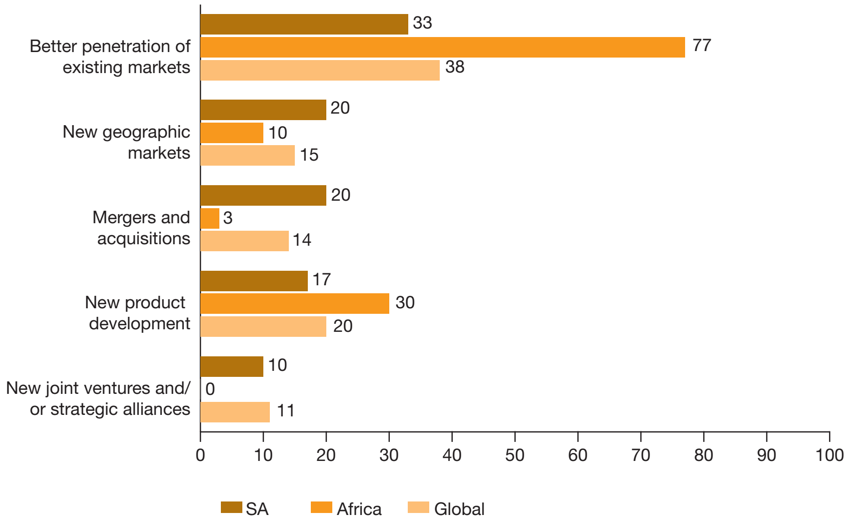
What is the future of sustainable growth and development in Africa? What are some examples of effective business and government growth strategies? Are there any trends with regard to the commitment of companies in Africa to social development/corporate citizenship?

In many ways, African companies' approach to profitability is no different than elsewhere. Risk must be balanced with potential, growth objectives with sustainability. Identifying and meeting customer demand is just as important as elsewhere—although the manifestations of and responses to customer demand may be unique to individual African markets.

The prospects for growth in Africa are enormous and confidence is generally high. Interestingly, South African CEOs are more cautious about their opportunities for growth compared to the average African CEO; South African companies were more exposed to the global financial crisis and they are taking longer to recover confidence. South Africa is also experiencing a heightened risk management culture and greater awareness of governance standards, recently epitomised by King III in South Africa.

Across Africa, better penetration of existing markets and new product development are the areas where African CEOs see the most promise over the next 12 months.

Which one of these potential opportunities for business growth do you see as the main opportunity to grow your business in the next 12 months?



The volatility in oil prices has definitely impacted the revenue potential of oil exporting countries—in Africa and elsewhere. There is increased pressure to seek alternative revenue streams and/or seek ways of increasing revenues.

Uyi Akpata
Partner, PwC

Challenges, like infrastructure shortfalls, force African companies to adapt in ways that are instructive for the global business community

The knowledge required to surmount various challenges requires African companies to be resourceful, flexible and responsive to change—much more so than many of their global counterparts, whose business environments are often more predictable and where market research and skills levels are advanced.

Infrastructure challenges force African companies to adapt in ways that are instructive for the global business community. In recent years, mobile telephony has acted as a major catalyst of economic and social development and is playing a central role in bridging the digital divide. Mobile telephone innovations such as Safaricom's M-pesa programme are helping customers surmount physical infrastructure limitations and geographic remoteness; it is no longer necessary to physically enter a bank branch to transfer money, for example.

Infrastructure is critical to Africa's future and the potential commercial and developmental advantages to improving African infrastructure are enormous. The challenge for investors, governments and other stakeholders is to harness this potential in the face of complex risks and uncertainties.

Vishal Agarwal
Partner, PwC

Case Study: Crop Insurance Crosses the Digital Divide

UAP Insurance of Kenya has partnered with Safaricom and the Syngenta Foundation for Sustainable Agriculture to help farmers mitigate the risks of drought and disease using mobile phone technology. Local insurance agents scan bar codes from bags of fertilizer, seed and herbicide using camera phones. Farmers purchasing the inputs pay 5% extra to insure their crops and receive confirmation of the policy via text message. Last year's drought caused widespread crop failures; weather data was transmitted via solar-powered weather stations and payouts awarded through Safaricom's mobile phone money transfer system, M-pesa. The insurance, called Kilimo Salama ('safe farming') is expected to benefit 5,000 farmers in western and central Kenya in 2010.

The Rwandan government is investing heavily in infrastructure improvements with plans to become a regional information technology hub. Across Africa, the private sector primarily is taking the lead in developing the infrastructure to support the digital revolution. Long-term, governments that set in place sound regulations encouraging fair competition, regulatory independence and policies to support long-term economic development will reap the greatest benefits from the digital revolution.

The best businesses in Africa are realising that traditional models of production, distribution, supply and demand are being transformed by technology. Grasping this potential should be our primary concern.

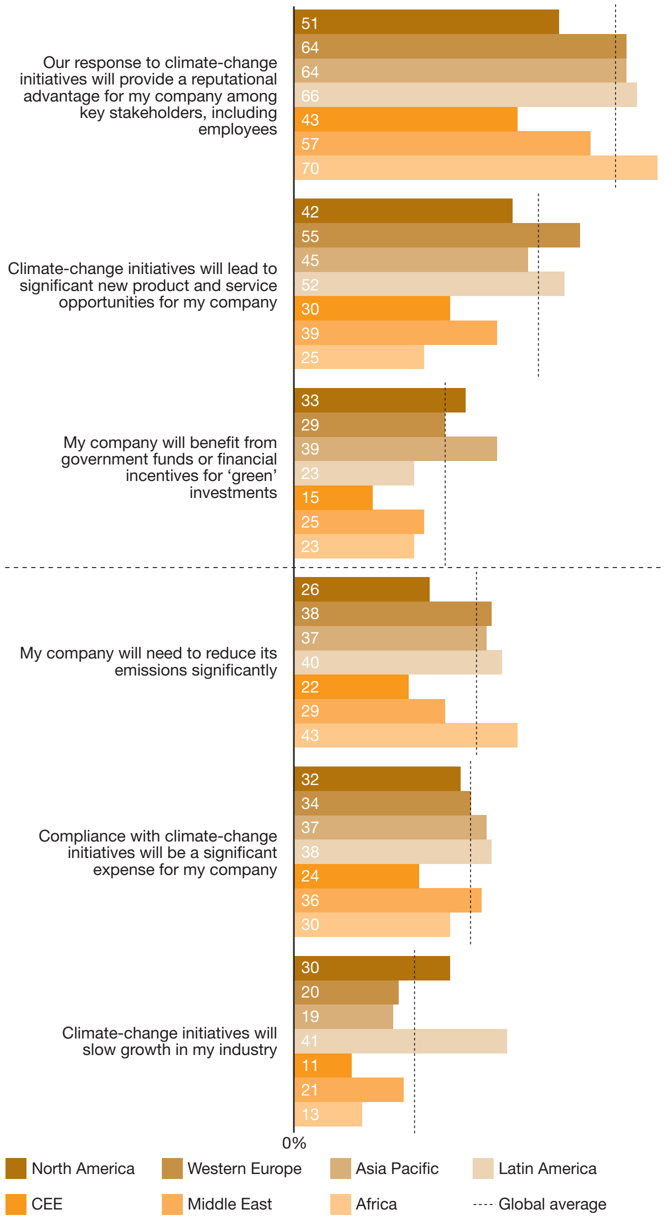
Adekunle Salau
Partner, PwC

Digital infrastructure aside, traditional infrastructure projects in Africa generally suffer from poor conceptualisation, inappropriate staffing, ill-defined procurement processes and management skills shortages. Infrastructure is perhaps the most critical factor influencing Africa's growth prospects and poverty alleviation, but the future is uncertain.

Across Africa, the business community's commitment to social development and corporate citizenship is patchy at best. Some companies are more committed than others; publicly-accountable organisations often observe corporate citizenship as part of their good governance practices, in accordance with global standards. Many companies are following the global trend of investing in activities that are closely aligned with their core businesses. Equity Bank, for example, has promoted financial literacy as a cornerstone of its corporate citizenship activities in Kenya and Uganda.

African CEOs have a mixed perception of investing in sustainability and climate change initiatives. An overwhelming number (even compared to the global average) perceive the advantages of investing in green initiatives for improving their reputations among key stakeholders, but not for potential product and service development.

Reputational advantage is the leading driver of responses to climate change initiatives



> I would like to primarily encourage people to have collective responsibility. It is not my responsibility or yours; it is our responsibility to protect the environment. The damage has been done. What are we going to do about it? We need to research and develop renewable sources of energy, support small-scale farmers and encourage products that come out of clean energy and create a market for them.
>
> Juliana Kisimbi
> Investment Officer, Embassy of Rwanda
> *(The East African Debate: Rethinking and Reshaping the New Normal)*

64% of global CEOs believe that consumers will in the future place more emphasis on a company's environmental and corporate responsibility practices before making a purchase, compared to 47% of African CEO's

> The move from analogue to digital—bricks-and-mortar to virtual reality—is having a profound impact on the way we live our daily lives as well as the way we do business with each other. Sub-Saharan Africa is as much affected by this change as the rest of the world.
>
> Guy Maughfling
> Partner, PwC

Risk

Managing Change

What risks are companies facing? How are they meeting these challenges? What are governments doing—or not doing—that influences a company's perception of and reaction to risk?

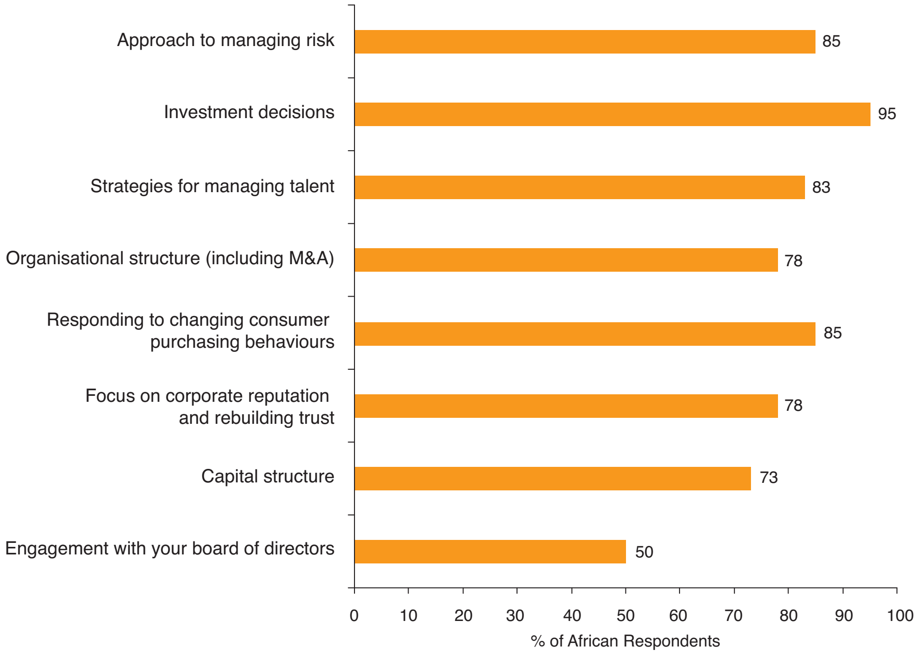
African companies have a well-developed appetite for risk, compared to their developed-market counterparts. However, documenting risk strategies still lags behind developed markets; African companies tend to anticipate and overcome obstacles in the daily course of doing business.

The global economic crisis has forced companies worldwide to re-evaluate their fundamental relationship to risk, including companies in Africa, but African companies' risk profiles are often more complex than those of companies elsewhere. Significant risks include exchange rate volatility, government interference including over-regulation and political instability, unreliable access to electricity and clean water, failing infrastructure and limited access to capital.

The focus of risk is changing, however. Companies are increasingly recognising operational risks; previously, the risks concerned supplies of raw materials and basic distribution challenges. Now, the risk is whether operating systems will work. Banks are increasingly utilising technology as a distribution channel and the risks of related operational challenges have been compounded by the global credit crisis.

Mobile telephone technology has allowed African banks to reach a wider customer audience, particularly in rural markets, but there are unique fraud and technology risks to doing so. The intimate and complicated relationships between business and politics in Africa present unique risks.

In the wake of the economic crisis, to what extent do you anticipate changes to any of the following areas of your company's strategy, organisation or operating model?



> A company's appetite for risk—in Africa as elsewhere—is strongly influenced by growth prospects. In Africa, where growth prospects are tremendous, companies are willing to invest just about anywhere.
>
> Vishal Agarwal
> Partner, PwC

Country	Election	Date
Burkina Faso	Presidential (1st round)	Nov 2010
Burundi	Presidential Legislative	Jun 2010 – Jul 2010
Central African Republic	Presidential & Parliamentary	May 2010
Chad	Parliamentary	Nov 2010
Côte d'Ivoire	Presidential Parliamentary	2010
Ethiopia	Parliamentary	May 2010
Guinea	Presidential	Jun – Jul 2010
Madagascar	Presidential Parliamentary	Oct 2010 May 2010
Mauritius	Parliamentary	May 2010
Rwanda	Presidential	Aug 2010
São Tomé and Principe	Parliamentary	Aug 2010
Sudan	Presidential Legislative	Apr 2010
Tanzania	Presidential Legislative	Oct 2010
Togo	Presidential	4 Mar 2010

Source: EISA African Election Calendar 2010 and International Foundation for Electoral Systems ElectionsGuide, 21 April 2010

It is always good to have expectations of government but the business and private sector must help to create joint partnerships and assist our respective governments in formulating the right strategy going forward. It is really important that the private sector continue with positive, constructive engagement for the benefit of our respective countries.

Themba Khumalo
CEO, MTN Uganda
(The East African Debate: Rethinking and Reshaping the New Normal)

Particularly for us in the media, we have the responsibility of ensuring that we drive the messages and the communications and the information to ensure that countries boost themselves successfully out of elections-related challenges.

Linus Gitahi
CEO, Nation Media Group
(The East African Debate: Rethinking and Reshaping the New Normal)

As a business, we look at the risks that we have and political risk is one of them. Part of what we do is to look at security measures and what kinds of storage facilities do we need to have to ensure that we have product during a crisis. [Our strategy is to] identify risk and work through mitigations.

Jimmy Mugerwa
Country Chairman, Kenya Shell *(The East African Debate: Rethinking and Reshaping the New Normal)*

African companies face the highest average tax burden anywhere in the world

Companies in Africa generally have a sceptical and mixed perception of the role of government and elections. National elections in Sub-Saharan Africa in 2010 are expected in 14 countries.

High taxes and the high cost of tax compliance is also a significant risk. According to PwC's Paying Taxes 2010: An African Perspective, African companies face the highest average tax burden anywhere in the world. However, Sub-Saharan Africa also had the second-greatest number of reforms in 2008/2009, accounting for nearly a fifth of total global reforms. On average, African firms must pay 68% of profits in taxes and mandatory contributions and they spend 38 days a year complying with 37 different tax payments and filings. Gradually, however, electronic filing is reducing the time necessary to comply. Angola and Kenya instituted electronic systems in 2008/2009.

PwC's first-ever global Total Tax Contribution study for the mining industry highlights the many and varied taxes and payments that mining companies pay to government in addition to corporate income tax. The high cost of electricity and paucity of reliable electricity pose a serious challenge for many miners and manufacturing companies in Africa, forcing them to rely upon expensive alternatives like diesel fuel generators.

Inflation is a top risk for many African companies; in Kenya, organisations participating in PwC's '2009 Human Resource Survey' have awarded annual salary increments of 10.9% for management and 10.3% for non-management positions, in response to annual inflation.

The appetite for risk in emerging African markets is well-developed. Increasingly, however, companies in Africa are becoming more aware of different types of risk from events occurring outside of their immediate regions. Their responses to these risks will test the resilience that they have developed over the last several decades.

Naval Sood
Partner, PwC

Thinking about the role of government in the country in which you operate, how much do you agree or disagree with the following statements?

Respondents who 'agree' or 'strongly agree'

	Global	South Africa	Africa
The government should drive convergence of global tax and regulatory frameworks	56	43	**57**
The government is changing its tax rules and practices to raise more tax from business	47	47	**53**
The government is taking adequate steps to improve the country's infrastructure (e.g. electricity, water supply, transport)	40	43	**47**
The government is working to improve health care access at lower cost	30	**47**	37
The government has clear and consistent long-term environmental policies	26	**30**	27
The government effectively protects biodiversity and ecosystems	**24**	23	20
The government helps companies secure access to natural resources (e.g. raw materials, water, energy)	20	**39**	28
The government has been effective in helping create a skilled workforce	20	23	**27**
The government has reduced the regulatory burden on corporations	15	13	**23**

Realise

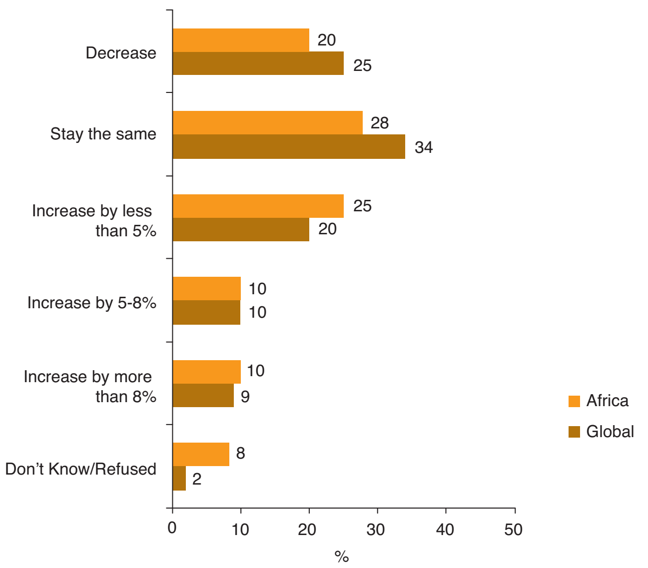
Education, skills & the future of work

What are companies doing to foster entrepreneurship, address skills shortages and attract and retain talent?

Companies in Africa—perhaps to a greater degree than their global counterparts—understand that a cost of doing business is providing training, particularly for technical qualifications and information technology. Off-the-job training tends to be conducted by external facilitators and consultants through workshops, seminars or short courses as well as through e-learning courses. Some companies in Africa offer monetary assistance to staff furthering employment-related education. All of these programmes have the added benefit of contributing to staff motivation, satisfaction and retention.

> In years past, Africa suffered from a "brain drain" with top talent leaving the continent to find better opportunities elsewhere. Now, however, Africa is experiencing a "brain gain" as the Diaspora looks homeward for opportunities that are scarce in Western economies.
>
> Kuria Muchiru
> Country Senior Partner, PwC Kenya

What do you expect to happen to headcount in your organisation over the next 12 months?



Traditional education systems generally are not filling the market's need for deep skills although overall, there is tremendous societal support for education across Africa. Africa continues to have a very vibrant informal sector but universities tend to teach technical skills or broadly-defined curricula but not entrepreneurial skills. Tens of thousands of graduates are generally ill-prepared for a highly competitive job market or self-employment. Even so, as elsewhere, the top graduates from top schools are in high demand.

The global economic crisis has led to an increasing number of returning Diaspora workers who are internationally trained and experienced. The 113 respondents to PwC Kenya's Human Resources Survey collectively received nearly 5,000 applications from Diaspora workers in 2008/2009, from which just 74 were actually hired, most often at the middle management level in Professional Services, ICT and Multimedia. Recruitment processes for Diaspora workers are still in their infancy, however, as employers struggle to overcome cultural and geographic obstacles to reviewing foreign résumés, conducting job interviews and meeting the higher salary requirements of returning professionals. Companies in Africa generally recognise the value of returning Diaspora workers, but they are unwilling to create inequality within their organisations in terms of salaries and/or benefits to hire these workers. Even so, most organisations value overseas experience and qualifications. Over the next 18 months, as Western economies recover from the crisis, the number of Diaspora workers seeking employment at home may decline.

Another challenge facing many companies in Africa is managing Generation Y employees, who are often in their first or second jobs and who tend to have needs and expectations different from their elder peers in the workforce. These workers want access to on-line professional and social networks and they prefer a more flexible dress code and working hours.

There are clear benefits to responding to the Generation Y way of working, such as improved morale and reduced stress, but employers must be willing to adjust policies accordingly.

Most African governments have not responded to societal and economic pressure to improve publicly-funded education, but the growth of private schools across the continent—from primary school through university—indicates that the market is responding somewhat to demand.

There is a gap in the marketplace between what the economy needs—highly skilled, entrepreneurial graduates—and what universities are providing.

> Looking at the Nigerian experience, we see the strengths of a large population and the attraction of investors because of the advantage of having a large population. There are a lot of advantages in terms of skills and talent.
>
> Anthony Okpanachi
> Managing Director, Ecobank Kenya
> *(The East African Debate: Rethinking and Reshaping the New Normal)*

Case Study: University Invests in Skills Training

Recognising that the market for education across Africa is changing, the United States International University in Kenya recently engaged in a strategic re-evaluation of its curricula, faculty and non-faculty policies. The university has invested in medical science training courses including pharmaceutical science to help meet the market need for deeper skills in these areas.

Additionally, the university has opened a Centre of Excellence in Entrepreneurship Development to help train tomorrow's business leaders in the skills necessary to start their own companies. PwC has aided USIU's efforts through a comprehensive review of its strategy, advising on the ideal organisation structure and developing employee policies for both faculty and non-faculty staff. PwC's recommendations are helping the university to meet its goal of providing competitive education that is relevant and market-driven.

In an environment such as ours, where economies are growing in spite of the challenges that we face, high skills are scarce—particularly for dynamic businesses such as telecommunications companies. It takes time to train, engineer and adapt to new technology. Industry players are looking for talent that can support their growth.

Joseph Ogutu
Chief Corporate Affairs and Human Resources Officer, Safaricom Limited *(The East African Debate: Rethinking and Reshaping the New Normal)*

27% of African CEOs agree that their governments have been effective in helping to create a skilled workforce compared to 20% globally

Research methodology

This report is based on the 13th Annual PricewaterhouseCoopers' Global CEO Survey. PwC followed the same methodology as we used the previous years to ensure we are fairly representing the emerging economies of the world. We have conducted interviews in 52 countries worldwide, and varied the number of interviews in line with their GDP, measured at market exchange rates, in 2006.

In total, we conducted 1,198 interviews with CEOs in 52 countries between 24th August and 16th November 2009. By region, 442 interviews were conducted in Western Europe, 289 in Asia Pacific, 167 in Latin America, 139 in North America (39 in Canada), 93 in Eastern Europe and over 70 in Africa.

The interviews were spread across a significant range of industries. Further details, by region and industry, are available on request. The interviews were mainly conducted by telephone, with the exception of Japan, where a postal survey was administered and Africa, where most of the interviews were conducted face to face. All the interviews were conducted in confidence and on an unattributable basis. The lower threshold for inclusion in the top 30 countries was companies with more than 100 employees or revenues of more than $10 million. This is raised to 500 employees or revenues of more than $50 million in the top 10 countries.

37% of the companies had revenues in excess of $1 billion, and a further 38% had revenues of $100 million to $1 billion. The remaining 21% had revenues of less than $100 million.

Company ownership is recorded as private for 50% of all the companies, with the remaining 47% listed on at least one stock exchange.

To better appreciate what is underpinning the CEOs' outlook for growth we also conducted in-depth interviews with 27 CEOs from five continents over the fourth quarter of 2009. Their insights cover a wide range of topics, from prospects for recovery to new dynamics of post-crisis environment, balancing growth with risk management and lessons learnt. Their interviews are quoted in this report, and more extensive extracts can be found in the CEO Story supplement. The full interviews and a selection of video bites are available on the dedicated website www.pwc.com/gx/en/ceo-survey/perspectives.html.

PricewaterhouseCoopers' extensive network of experts and specialists has provided its input into the analysis of the survey. Our experts span many countries and industries.

Note: Not all figures add up to 100% due to rounding of percentages and to the exclusion of 'neither/nor' and 'don't know' responses.

Contact us

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