



**PwC's 29th Annual Global CEO Survey –
Albania and Kosovo Edition**

Leading through uncertainty in the age of AI



Contents

01	The opportunity horizon	06
02	Company Growth and Confidence	12
03	The road to reinvention	14
04	Dynamism or denial?	18
05	Survey methodology and notes	23

Foreword



Loreta Peci
Country Managing
Partner, PwC Albania
and Kosovo

As part of **PwC's 29th Annual Global CEO Survey**, we had the privilege of engaging with local and international business leaders whose companies operate in **Albania and Kosovo**. Their perspectives provide a thoughtful and timely reflection on the challenges and opportunities shaping our markets today.

I would like to personally thank all the CEOs who participated in this year's survey. Your openness in sharing your views, experiences, and concerns is greatly appreciated. Your input is not only valued, but also essential in fostering a meaningful and informed dialogue within our business community.

Over the years, the **CEO Survey** has become a trusted reference point for the business agenda in **Albania and Kosovo**. This year's results are particularly significant, as they come at a time of **profound global change**. Trade tensions, rapid technological advancement, and geopolitical shifts are redefining the way businesses grow, compete, and create value.

Despite this uncertainty, the findings reveal a sense of **measured optimism** among CEOs in our region. Confidence in domestic economic prospects remains resilient, while the adoption of **artificial intelligence** is accelerating. More than half of the CEOs surveyed have expanded into new sectors in recent years, signaling an entrepreneurial spirit that bodes well for the region's economic future.

This report captures the views of **47 CEOs from Albania and Kosovo** and places them in a broader context through comparisons with **Central and Eastern Europe** and the global survey of more than **4,400 CEOs across 95 countries**. I hope these insights serve as both a source of inspiration and a practical guide for leaders as they navigate an increasingly complex and fast-evolving business environment.

At PwC, our purpose to build trust in society and solve important problems guides everything we do. We remain committed to supporting businesses with relevant insights and practical solutions that help address today's challenges while enabling long-term success.

I invite you to explore this report and make full use of its findings as you bring your strategies, vision, and business objectives to life.

In summary

Successful leadership is often described as the ability to balance the immediate with the strategic to manage near-term risks while remaining focused on long-term value creation. This dual perspective is a defining theme of **PwC's 29th Albania and Kosovo CEO Survey**, based on insights from **47 chief executives** across the region.

Looking ahead, CEOs describe a business environment shaped by rising complexity and uncertainty. In particular:

- **Short-term confidence has weakened**, reflecting softer expectations for near-term growth.
- **Risk awareness has increased**, with macroeconomic volatility, cyber risk, and geopolitical tensions among the most prominent concerns.

At the same time, leaders are not losing sight of the longer term. Many are actively pursuing multiyear initiatives aimed at reinventing their organizations and strengthening their competitive position. This forward-looking focus is reflected in several strategic priorities:

- **Continued investment in artificial intelligence**, despite uncertainty around immediate financial returns.
- **Greater emphasis on innovation** as a driver of differentiation and resilience.
- **Expansion into new sectors**, as companies respond to structural shifts and a broader reconfiguration of industries reshaping the global economy.

Importantly, the survey indicates that CEOs who are moving more decisively across these dimensions of reinvention are **outperforming their peers**, reinforcing the link between strategic action and sustained performance.

The Numbers Behind the Narrative: Key Findings from This Year's Survey

- **AI returns remain uneven.** While 29% of CEOs report revenue increases from AI and 25% cite cost reductions over the past 12 months, a majority (52%) say they have yet to realize measurable financial benefits.
- **Growth strategies are extending beyond traditional boundaries.** More than half of CEOs indicate their companies have begun competing in new sectors over the past five years.
- **Near-term confidence lags the medium-term outlook.** Only 49% of CEOs are very or extremely confident in revenue growth over the next 12 months, compared with 55% over the next three years.
- **Tariff exposure is monitored closely, but severe impacts are not widely expected.** While 30% anticipate some pressure on profit margins, most foresee limited or modest effects.

Leadership agility is becoming increasingly critical as CEOs navigate a business environment defined by complexity and competing time horizons. Survey results show that CEOs devote a disproportionate share of their attention to immediate challenges, spending nearly half of their time (44%) on issues with a horizon of less than one year, compared with just 22% on priorities extending beyond five years. While short-term pressures are unavoidable, this imbalance raises an important strategic question. As organizations confront rapid change and uncertainty, the ability to maintain focus on long-term resilience and growth may prove just as decisive as managing today's demands.

The opportunity horizon

AI at enterprise scale

When asked to identify the question weighing most heavily on their minds, CEOs consistently pointed to one issue above all others: whether their organisations are transforming fast enough to keep pace with technological change, particularly artificial intelligence.

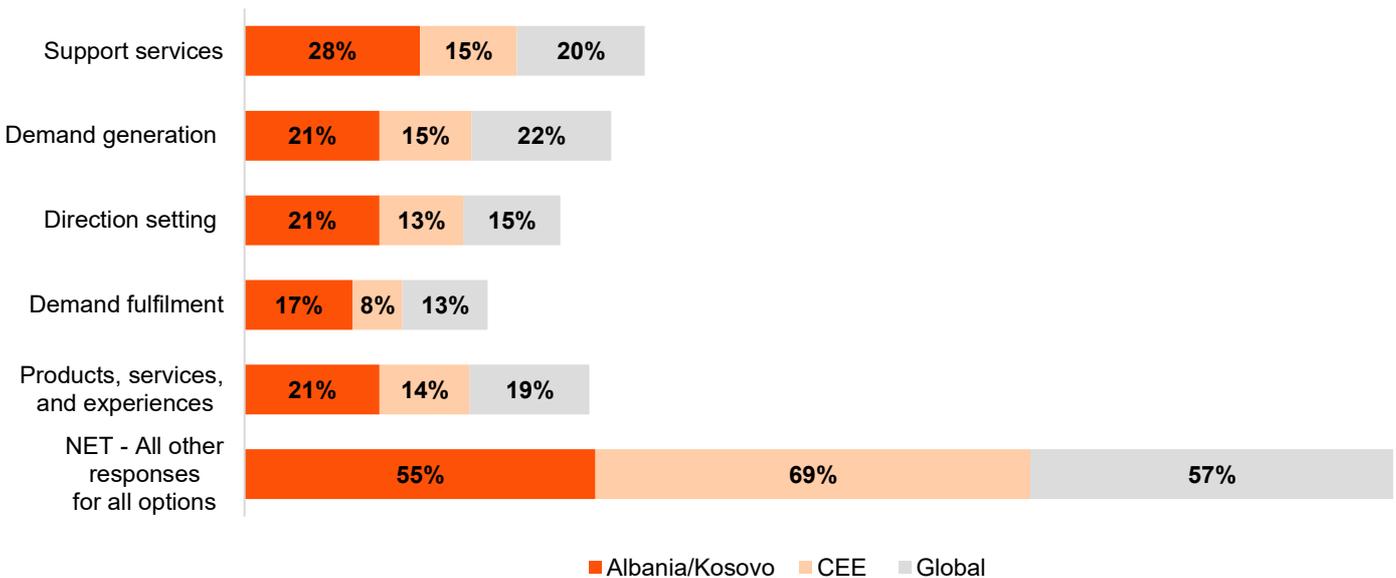
The survey indicates that Albanian and Kosovar CEOs report higher levels of AI application across several business functions compared with their Central and Eastern Europe (CEE) peers, and in some areas, adoption is broadly in line with or above the global average.

Support Services emerges as the most advanced area of AI use locally. At 28%, adoption among Albanian and Kosovar CEOs is nearly double the CEE average (15%) and exceeds the global figure (20%). The largest regional gap is observed in Demand Generation, where 21% of local CEOs report applying AI, compared with just 5% in CEE and close to the global benchmark (22%). AI use in Direction Setting also stands out. At 21%, Albanian and Kosovar CEOs report applying AI to strategic planning and decision-making at higher rates than both CEE (13%) and global respondents (15%), suggesting a relatively stronger inclination to incorporate AI into leadership and governance processes.

This pattern extends to Products and Services (21%) and Demand Fulfilment (17%), where local adoption again exceeds both CEE (14% and 8%, respectively) and the global average (19% and 13%).

While adoption remains uneven, the data suggests that Albania and Kosovo are positioning themselves at the upper end of regional AI integration.

AI application



Source: PwC's 29th Global CEO Survey

To understand how this momentum translates into organizational readiness, CEOs were also asked to assess the extent to which they agree with a series of statements related to AI use within their companies. The responses reveal clear regional differences across strategic clarity, enablers, and governance.

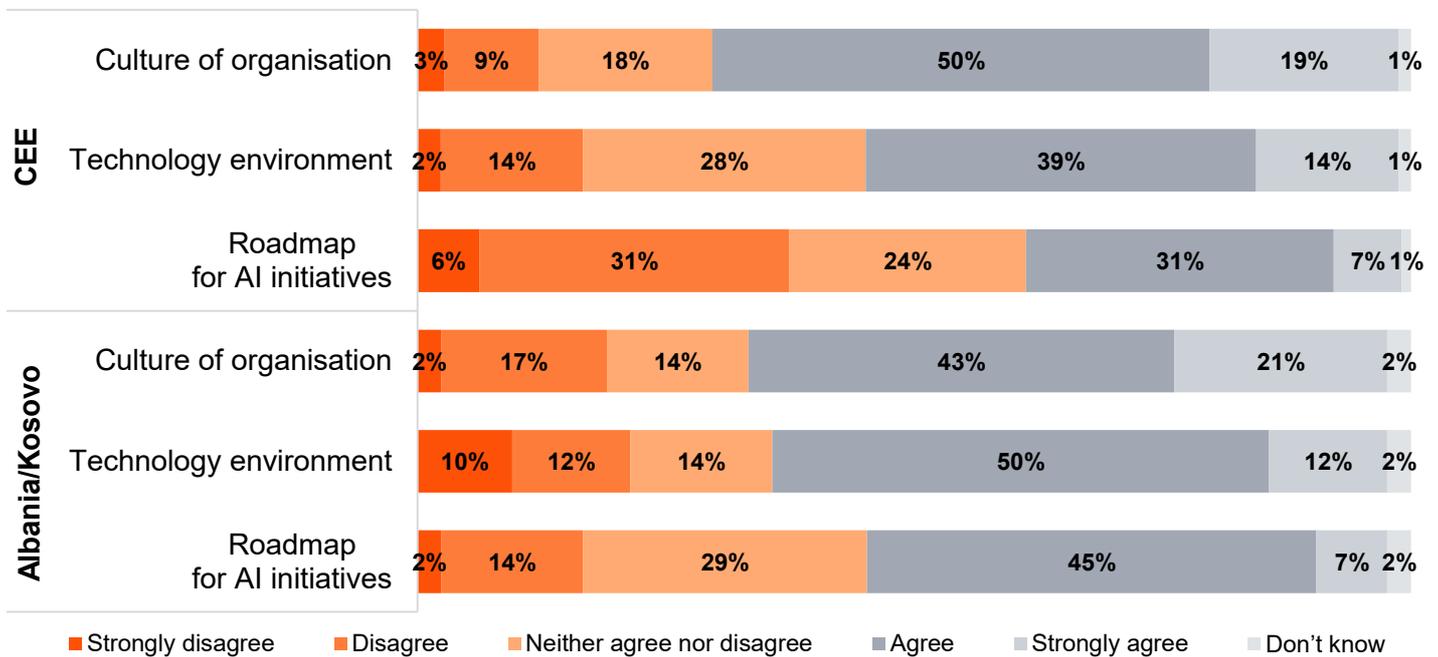
In Albania and Kosovo, CEOs report a comparatively strong sense of direction. Just over half (52%) agree that their organizations have a clearly defined roadmap for AI initiatives, placing the region ahead of both CEE and broadly in line with global sentiment. Technology readiness is also viewed positively, with 62% indicating that their technology environment supports AI integration. Cultural readiness appears to be a further enabler, as 64% agree that their organizational culture facilitates the transition to AI.

However, important gaps remain. Only 19% of Albanian and Kosovar CEOs report that their most-used AI tools have access to all relevant company documents and data, pointing to ongoing challenges around data integration. Talent availability also remains a constraint, with fewer than half (48%) confident in their

organization's ability to attract high-quality AI technical talent. Formalized Responsible AI and risk management processes are still relatively limited, reported by just 26% of respondents. Views on investment adequacy are mixed: while 50% believe current AI investment levels are sufficient, a notable share (14%) remain uncertain or neutral.

Across Central and Eastern Europe, responses suggest a more cautious position. Fewer CEOs (38%) report having a clear AI roadmap, and confidence in technology environments (54%) and talent attraction (38%) lags behind both Albania and Kosovo and global levels. Perceptions of organizational culture as an enabler are relatively strong (69%), but investment confidence remains low, with only 30% viewing current AI spending as sufficient. A higher proportion of CEE respondents (18%) fall into neutral or uncertain responses, indicating less alignment around AI readiness.

AI Use Perceptions



Source: PwC's 29th Global CEO Survey

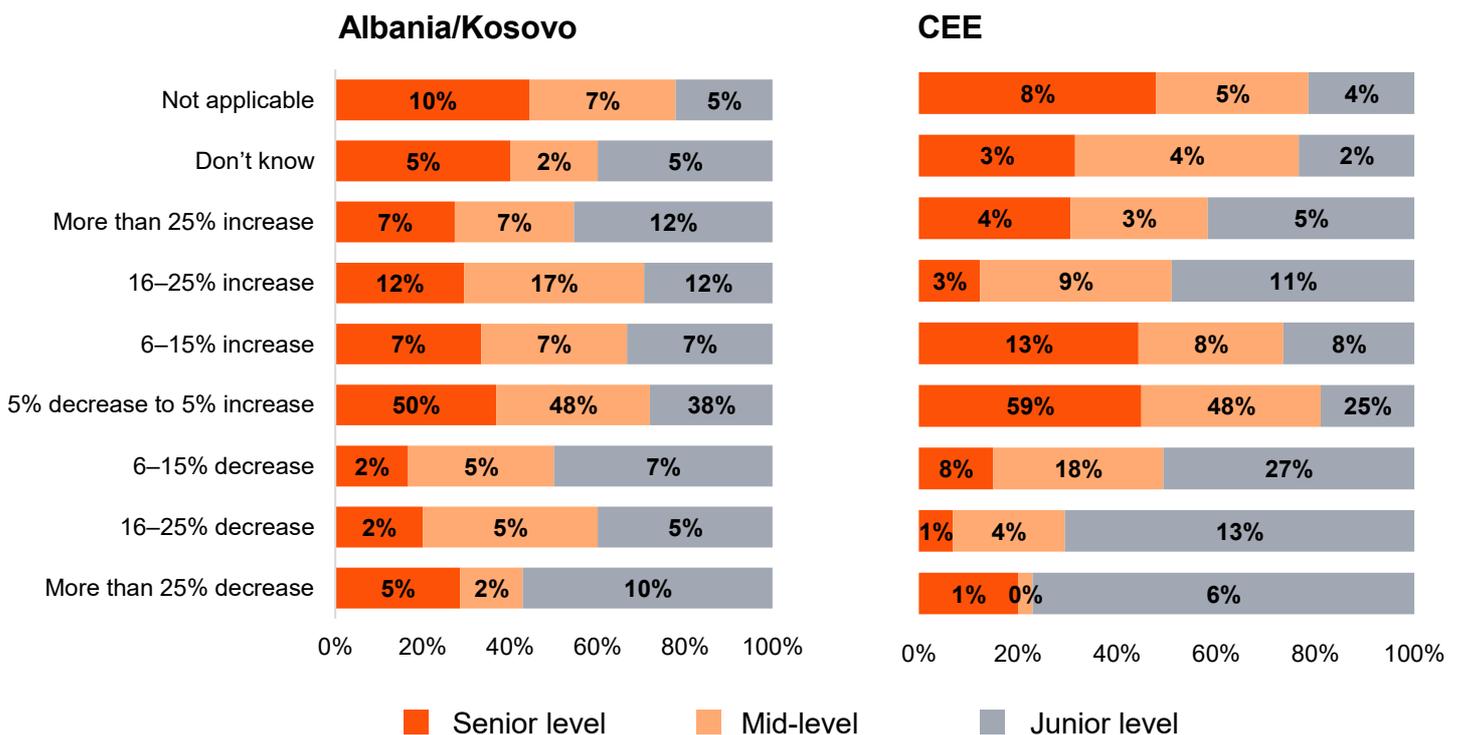
At the global level, sentiment is generally more advanced across most dimensions. A slim majority (51%) report having a clearly defined AI roadmap, and technology environments are widely seen as supportive (67%). Data integration is more mature than in the region, with 29% reporting full access for their most-used AI tools. While talent attraction continues to be a challenge

globally (42%), formalized Responsible AI and risk processes are significantly more established (51%). Investment confidence is also stronger, with 40% considering current AI investment levels sufficient, and relatively few respondents (11%) expressing uncertainty.

The survey also examined how CEOs expect AI adoption to affect workforce levels over the next three years. Overall, the results point to a cautious and differentiated outlook, with impacts varying by organizational level rather than indicating broad-based workforce disruption.

Across regions, **junior roles are perceived as most exposed** to AI-driven change. Globally, **49% of CEOs** expect a reduction in junior positions, a pattern echoed in CEE (**46%**). In **Albania and Kosovo**, expectations of decline are notably lower (**21%**), suggesting a more moderate view of near-term displacement, even as the direction of change aligns with broader trends.

At the same time, AI is also associated with potential job creation. In Albania and Kosovo, around **three in ten CEOs** anticipate employment growth at both the mid-level (**31%**) and junior level (**31%**), while **26%** expect increases in senior roles. This optimism is more pronounced than in CEE and broadly comparable with global expectations for mid- and junior-level growth.



Importantly, a large share of respondents across all regions anticipate little change or remain uncertain about AI's overall impact on employment. This suggests that many organizations expect AI to reshape roles and skill requirements gradually, rather than drive immediate or large-scale headcount shifts.

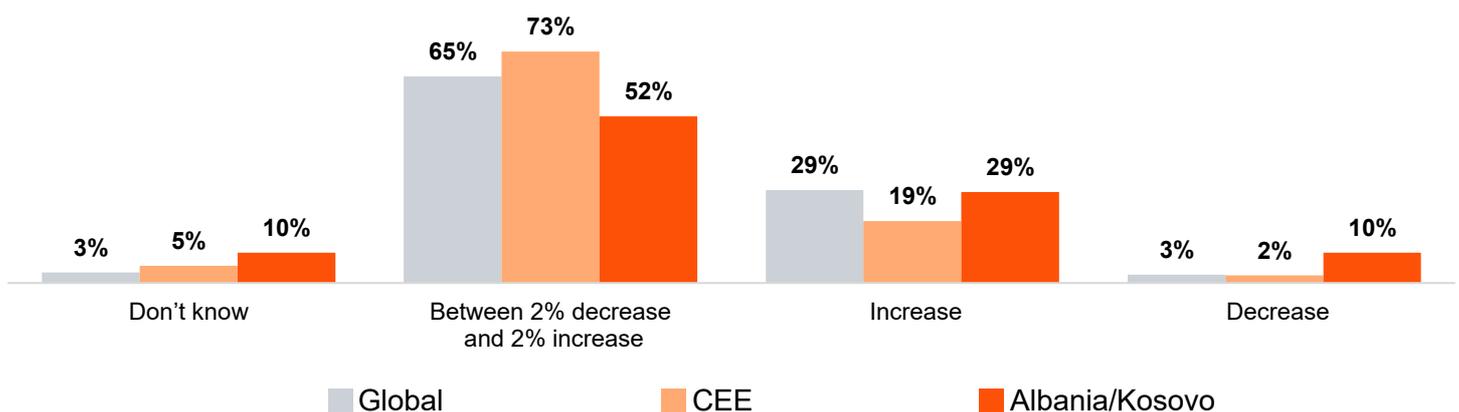
Taken together, the findings point to a rebalancing of workforce structures rather than a simple reduction in jobs. While junior roles are seen as most vulnerable to automation, CEOs also anticipate new opportunities emerging as AI changes how work is organized, managed, and delivered.

AI begins to show revenue momentum

Over the past 12 months, artificial intelligence has started to translate into **tangible revenue gains**, particularly in Albania and Kosovo. Nearly **three in ten companies (29%)** report increased revenues linked to AI adoption, compared with **10%** that experienced declines. This makes AI a clear net positive for top-line performance in the local market.

A similar, though less pronounced, pattern emerges across **Central and Eastern Europe**, where **19%** of companies report revenue growth against just **2%** reporting declines. At the **global level**, the picture closely mirrors Albania and Kosovo, with **29%** seeing revenue increases and only **3%** reporting decreases.

Overall, revenue uplift from AI appears more visible and immediate than other financial effects. Albania and Kosovo stand out in particular, with revenue gains outnumbering declines by nearly **three to one**, reinforcing the view that early AI applications are already contributing to commercial performance.

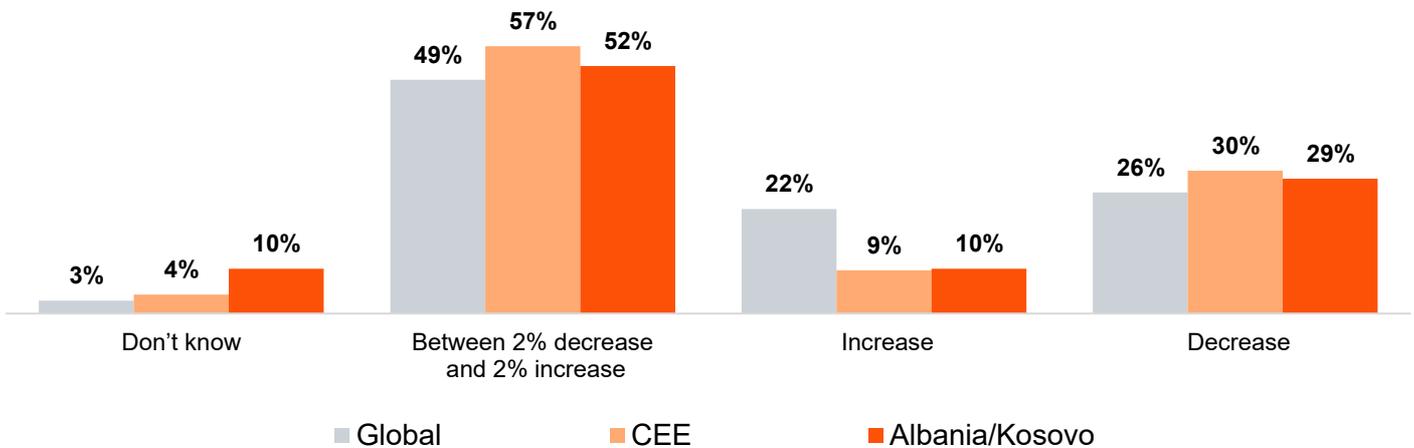


Cost efficiencies are emerging, but more gradually

The cost impact of AI adoption tells a more measured story. In Albania and Kosovo, **29%** of companies report lower costs as a result of AI, while **10%** report higher costs. This suggests that efficiency gains are materializing, but not yet universally.

CEE follows a similar trajectory, with **30%** reporting cost reductions and **9%** seeing increases. Globally, however, outcomes are more mixed: while **26%** of organizations report lower costs, a relatively high **22%** report cost increases, pointing to higher investment and implementation expenses in some markets. For most organizations across all regions, costs have remained broadly stable to date, indicating that AI-related efficiencies are still developing and may take longer to scale than revenue benefits.

Costs



Source: PwC's 29th Global CEO Survey

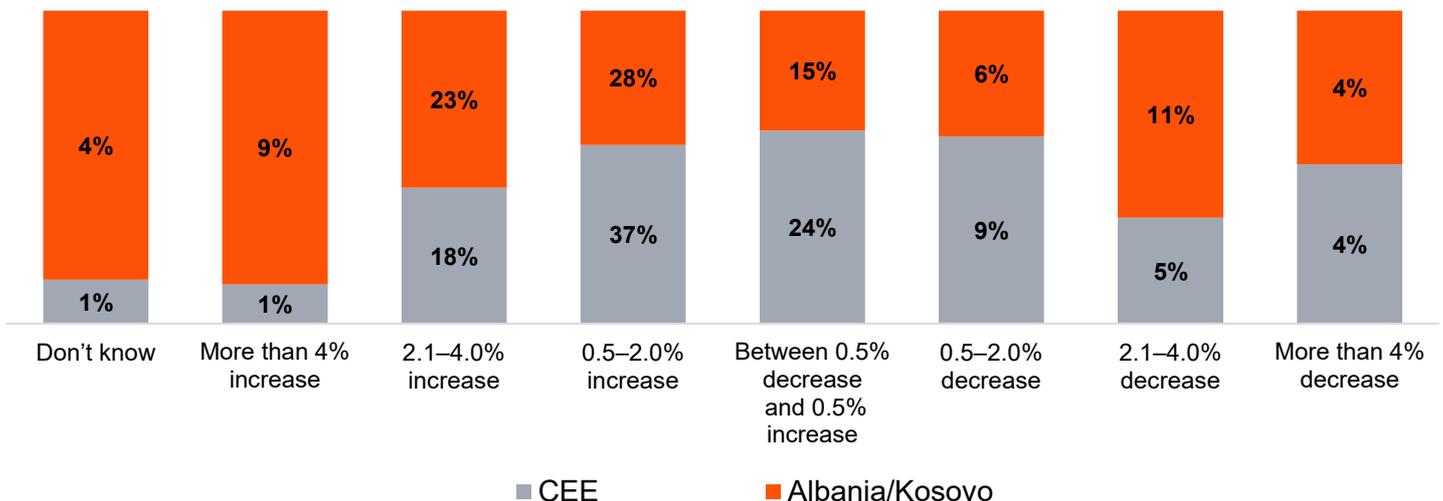
Company Growth and Confidence

Confidence Softens as Uncertainty Grows

Compared with last year’s Global CEO Survey, leaders are notably less confident about revenue growth over the next 12 months. While confidence in the three-year outlook has also declined, the shift is more muted, suggesting that short-term uncertainty, rather than long-term pessimism, is shaping sentiment.

This cooling confidence reflects a combination of factors. Although many CEOs remain broadly optimistic about global growth, confidence in local economic conditions has weakened in several markets. Industry dynamics are also playing a role. In some sectors, recent periods of strong performance are giving way to more challenging conditions, while others are grappling with softer demand or concerns around oversupply.

Economic growth global economy



In Albania and Kosovo, expectations tilt more clearly toward slowdown. Nearly half of CEOs (45%) anticipate a moderate decline in economic growth over the coming year. At the same time, optimism has not disappeared: just over one in five (21%) expect some degree of growth, while a further 19% foresee only a slight contraction. A small share anticipate a more pronounced downturn, and 9% remain uncertain about the outlook.

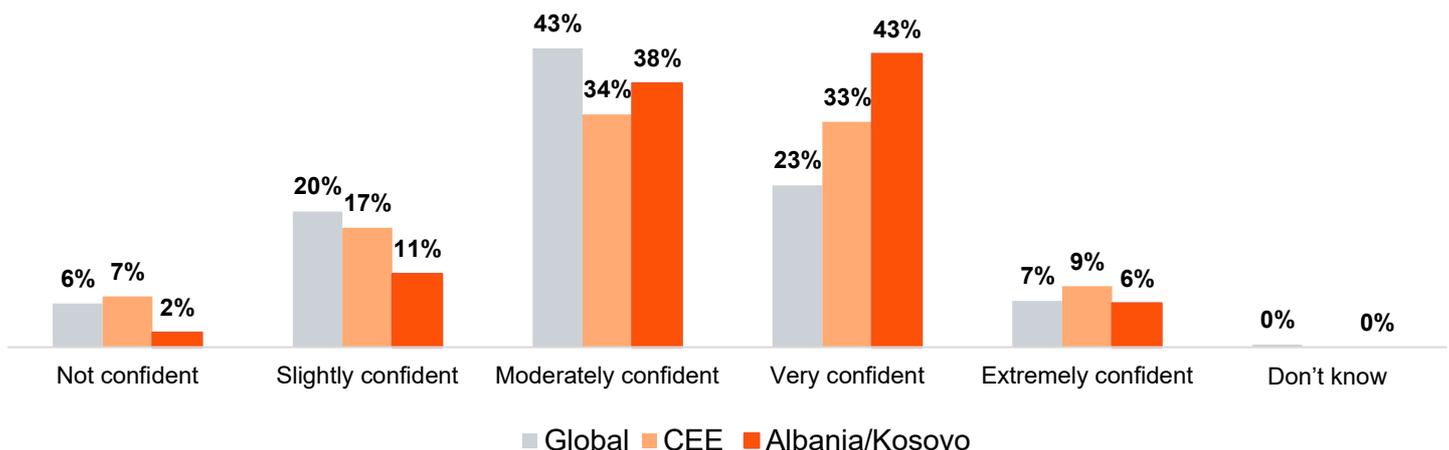
Across Central and Eastern Europe, sentiment is more evenly distributed. Just over a third of CEOs (36%) expect economic growth, most commonly in the 0.5–2.0% range. At the same time, a similar proportion anticipate modest declines, suggesting a region navigating mixed signals rather than a clear directional shift.

Uncertainty remains present but contained, with a relatively small share of respondents unsure about future economic performance.

At the global level, CEOs express a comparatively stronger growth outlook. Around 43% expect economic expansion, again concentrated in the lower growth ranges, while expectations of severe contraction remain limited. Most downside expectations are clustered around slight decreases, reinforcing the view that global leaders anticipate slower growth rather than recession-level disruption.

The survey examines how confident business leaders are in their companies' revenue growth prospects across two-time horizons: the next 12 months and the next three years. While confidence has softened compared with last year globally, the results reveal notable regional differences.

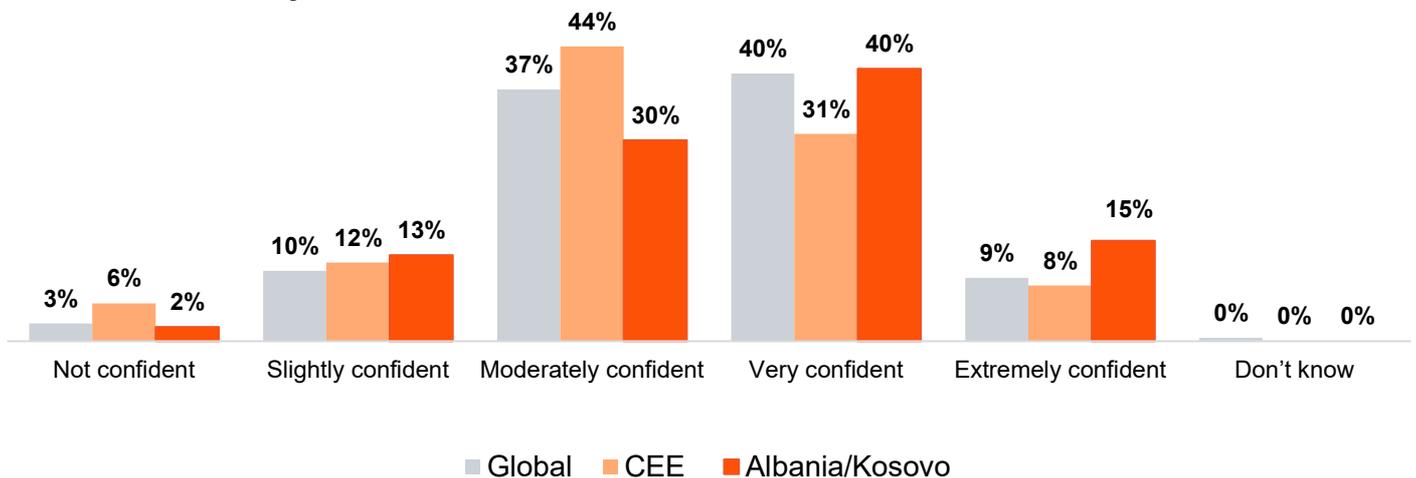
Revenue Growth 12 months



In the **short term**, CEOs in **Albania and Kosovo** stand out for their comparatively strong confidence. Almost **half of respondents (49%)** describe themselves as either *very* or *extremely confident* about revenue growth over the next 12 months, well above levels reported in **CEE** and globally. In particular, **43%** of local CEOs say they are very confident, significantly higher than **33%** in CEE and **23%** globally. Only a very small minority express low confidence, suggesting limited concern about near-term revenue prospects.

Longer-Term Optimism Remains Firm

Revenue Growth 3 years



Source: PwC's 29th Global CEO Survey

Looking ahead to the **three-year horizon**, confidence remains resilient across all regions but again appears strongest in Albania and Kosovo. More than **half of local CEOs (55%)** report being *very* or *extremely confident* in their long-term revenue growth, supported by a notably higher share of respondents expressing extreme confidence than in both CEE and the global sample.

By contrast, confidence in CEE is more concentrated in the "moderately confident" category, indicating a more cautious but not pessimistic outlook. Global results sit between the two, combining solid long-term confidence with fewer respondents at the extremes.

Where CEOs Are Placing Their Growth Focus

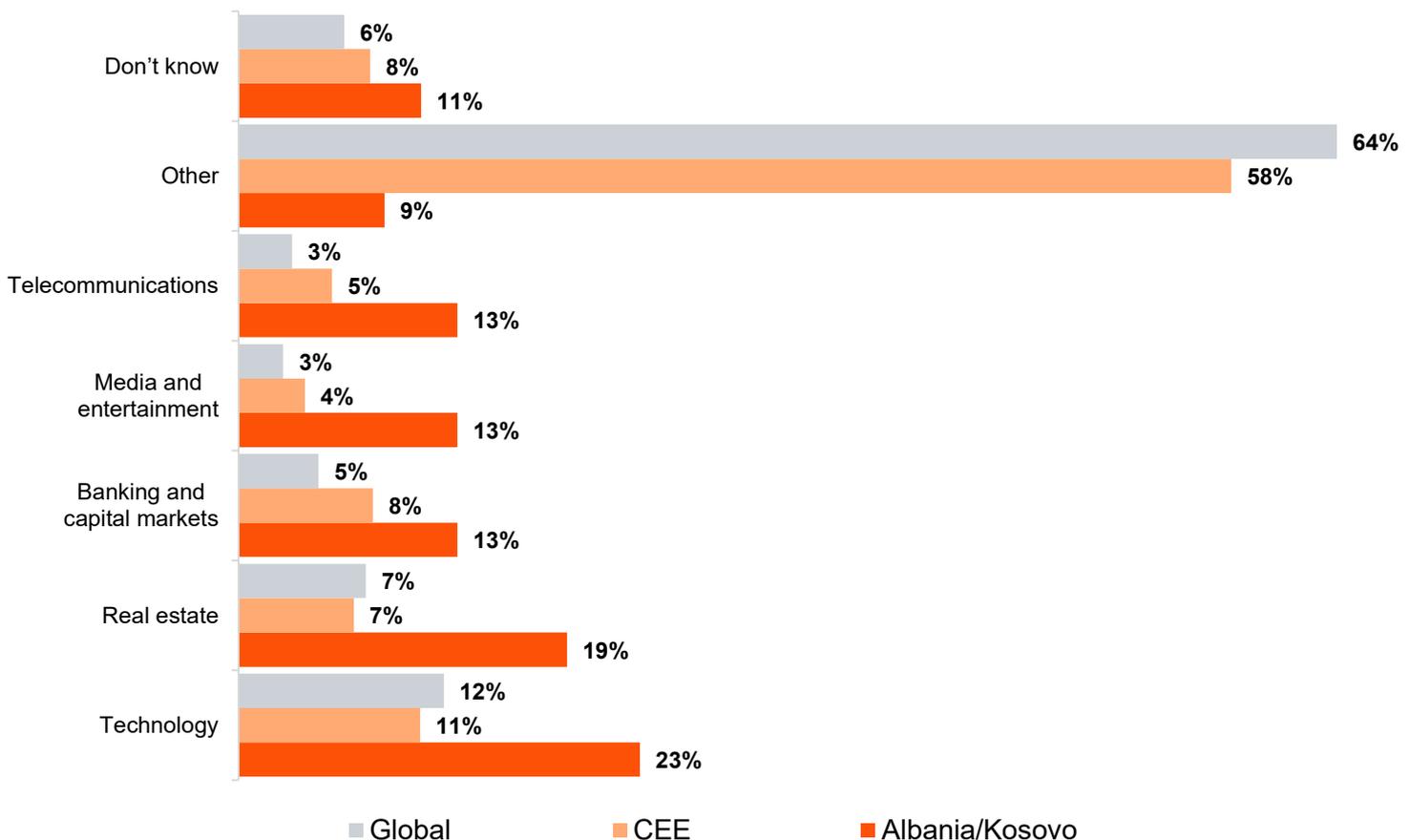
When it comes to future growth and partnership priorities, business leaders across regions are taking notably different approaches. In **Albania and Kosovo**, CEOs appear more selective, concentrating their attention on a smaller number of sectors where they see the strongest opportunities.

Technology clearly stands out as the leading growth priority in the local market. Nearly **one in four respondents (23%)** indicate plans to expand or partner in this sector, underscoring its central role in future business strategies. **Real estate** also attracts relatively strong interest, with **19%** of CEOs identifying it as a target sector, significantly higher than in **CEE and globally**, where only **7%** of respondents point to real estate.

By contrast, traditional sectors such as **telecommunications, media and entertainment**, and **banking and capital markets** attract comparatively less attention at the global level, where only **3–5%** of respondents select them. In Albania and Kosovo, however, interest in these sectors is notably higher, at **13%**, suggesting a continued belief in their relevance as sources of growth or partnership locally.

In **Central and Eastern Europe** and globally, the picture is more diffuse. Most respondents, **58% in CEE** and **64% globally**, selected “other” industries not explicitly listed, pointing to a wider spread of growth ambitions and a more diversified view of where future opportunities may emerge.

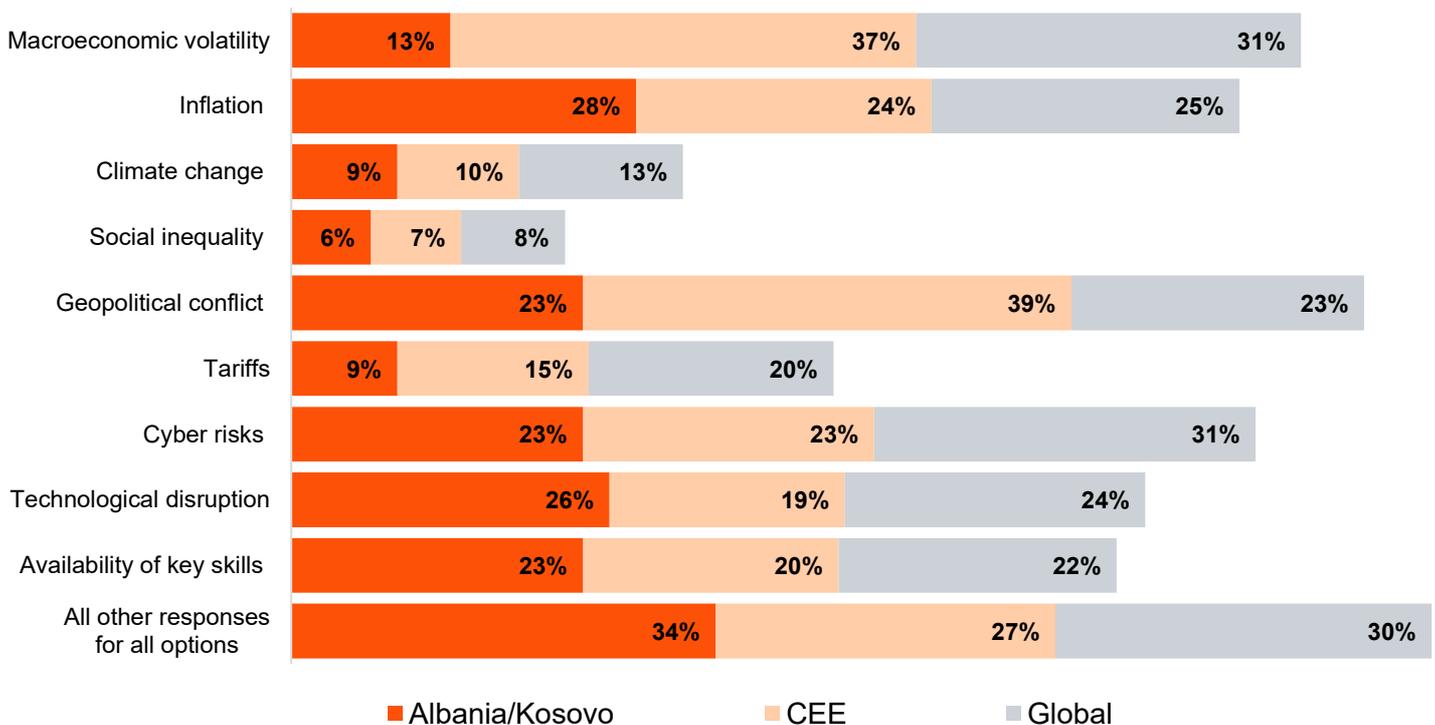
Industries



Threat Perceptions Diverge Across Regions

In **Albania and Kosovo**, CEOs express a relatively **balanced and measured view of risk**. Macroeconomic volatility is a concern for a comparatively small share of respondents (**13%**), while **inflation stands out as the most prominent near-term challenge**, cited by **28%** of leaders. Beyond inflation, attention is spread across a range of risks. **Cyber threats, technological disruption, geopolitical conflict, and the availability of key skills** each feature prominently,

Key threats in 12 months



Source: PwC's 29th Global CEO Survey

By contrast, issues such as climate change, social inequality, and tariffs are viewed as less immediate, each cited by fewer than one in ten respondents.

The picture shifts noticeably across **Central and Eastern Europe**, where concerns are more concentrated. **Macroeconomic volatility (37%)** and **geopolitical conflict (39%)** dominate the regional risk landscape, underscoring heightened sensitivity to external shocks and political uncertainty. Inflation remains an important factor, but it is overshadowed by these broader economic and geopolitical pressures.

While cyber risks, technological disruption, and talent availability are still relevant, they attract comparatively less attention than in Albania and Kosovo. Climate change and social inequality again rank lower, suggesting that immediate economic and stability concerns are taking precedence.

At the **global level**, CEOs report a more evenly distributed set of concerns. **Macroeconomic volatility and cyber risks** lead the list, each cited by **31%** of respondents, followed closely by **inflation (25%)** and **technological disruption (24%)**. Compared with regional results, **climate change features more prominently globally**, reflecting its growing strategic relevance for multinational organizations.

Talent availability and geopolitical conflict remain firmly on the radar, each highlighted by more than one in five CEOs, reinforcing the breadth of challenges shaping global boardroom agendas.

The road to reinvention

Innovate to reinvent

Innovation has emerged as a central concern for today's CEOs. When asked to identify the question weighing most heavily on their minds, the second most cited issue, after technology and AI, was whether their organization's **innovation capability is sufficient to navigate an uncertain future**. This concern is reflected in strategy: **half of all CEOs say innovation is central to their business agenda**.

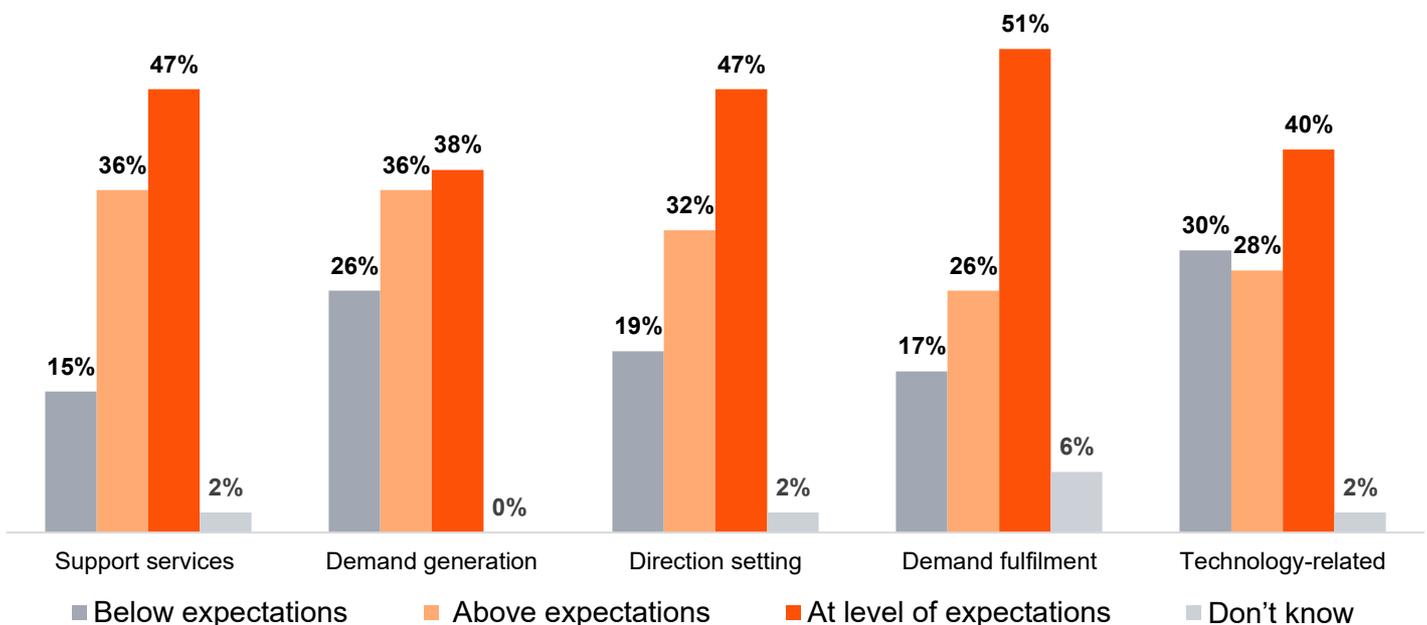
Yet, when it comes to the practices that enable innovation, the survey reveals a clear **gap between aspiration and execution**. Only around **one in four CEOs** say their organizations meaningfully tolerate high-risk innovation, have disciplined processes to stop underperforming R&D initiatives, or operate dedicated innovation centers, incubators, or corporate venturing units. In fact, fewer than **one in ten CEOs (8%)** report having implemented at least five out of six innovation-friendly practices to a large or very large extent.

Against this backdrop, CEOs in **Albania and Kosovo** generally view their organizations' operational performance positively. Across most functions, performance is perceived as **meeting or exceeding expectations**, suggesting a solid operational foundation on which to build future innovation.

- **Support services** and **direction setting** show particularly stable results, with **47%** of respondents indicating performance is at expected levels, and roughly a third rating performance above expectations.
- **Demand fulfilment** emerges as a relative strength, with just over **half (51%)** of CEOs saying performance meets expectations, and a further **26%** viewing it as above expectations.

- **Demand generation** presents a more mixed picture. While **36%** see performance above expectations, **26%** report underperformance—highlighting pressure on growth-facing capabilities.
- **Technology-related activities** stand out as the most challenging area. While **40%** say performance meets expectations, **30%** rate it below expectations, underscoring the strain technology functions face as they are asked to enable both efficiency and innovation.

Albanian companies performance



Source: PwC's 29th Global CEO Survey

Turning Ideas into Action

Many organizations in **Albania and Kosovo** appear comfortable experimenting with new ideas, particularly when it comes to engaging customers and end-users early. **Rapid testing is relatively widespread**, with around **four in ten companies** doing this to a large extent and a further **36%** engaging at least moderately. This suggests that experimentation and feedback loops are already embedded in how many organizations approach innovation.

Collaboration with **external partners** plays a meaningful, though uneven, role in innovation efforts. While around **one quarter** of organizations collaborate extensively, most do so at a moderate level, indicating openness to external input but limited reliance on it as a primary innovation driver.

Risk tolerance remains more constrained. Only a **small minority** of organizations show a strong appetite for high-risk innovation projects, with most CEOs describing their willingness to take risks as moderate or limited. This cautious stance may help manage downside exposure, but it can also slow the pace of breakthrough innovation.

The survey points to a clear structural gap in how innovation is supported. **Formal mechanisms such as innovation centers, incubators, or corporate venturing units, are not yet widely established.** A majority of organizations report having these capabilities only to a limited or very limited extent, and fewer than one in ten have built them out extensively. This limits the ability to scale promising ideas beyond pilot stages.

Similarly, while many companies recognize the importance of managing innovation discipline, **processes for stopping underperforming R&D projects are often informal or inconsistently applied**, suggesting opportunities to strengthen governance without dampening creativity.

Encouragingly, innovation is increasingly seen as a **core element of business strategy**. More than a third of organizations place innovation at the center of their strategic agenda, with another quarter acknowledging its importance to a moderate degree. However, the supporting capabilities (risk tolerance, structure, and formal processes), have not yet fully caught up with this ambition.

From climate risk to climate value

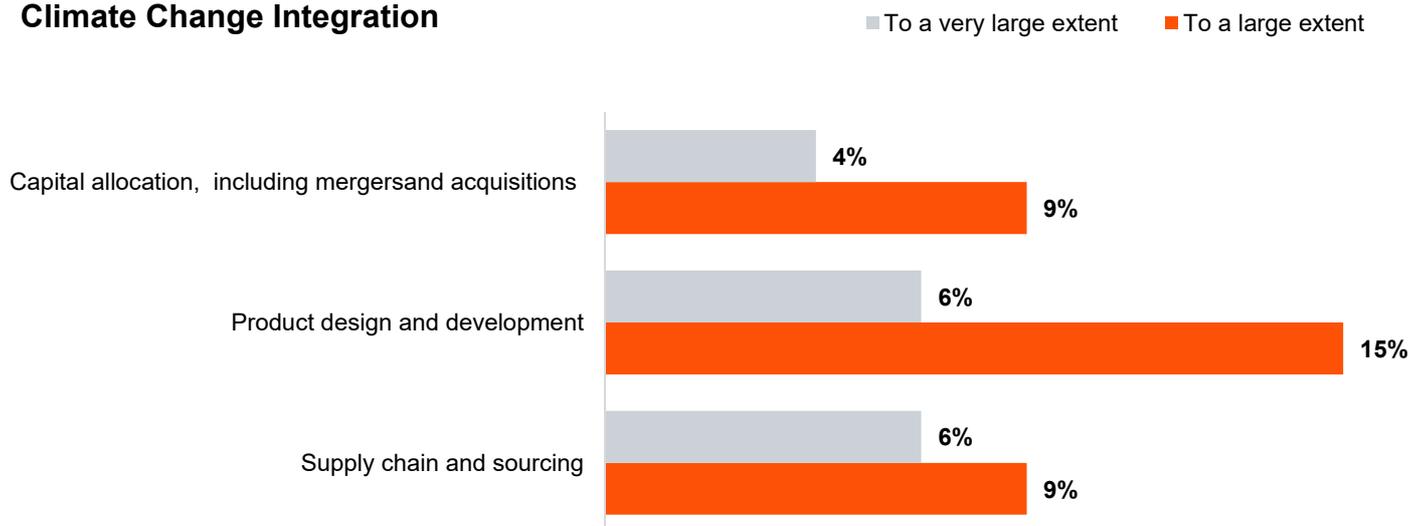
The survey shows that, across regions, **climate-related opportunities and risks are not yet deeply embedded into core business processes.** This is particularly evident in **Albania and Kosovo**, where only a small minority of company's report having well-defined processes that systematically factor climate considerations into key decisions.

In Albania and Kosovo, just **21%** of companies integrate climate considerations into **product design and development**, **15%** do so within **supply chain and sourcing**, and only **13%** account for climate risks and opportunities in **capital allocation**, including mergers and acquisitions. For the majority of organisations, around **seven in ten**, climate change is either addressed only to a limited extent, inconsistently, or not at all.

Compared with neighbouring markets, local companies lag behind. Across **Central and Eastern Europe**, engagement is more pronounced, particularly in supply chains and capital allocation, where close to **three in ten companies** report defined processes. At the **global level**, adoption remains uneven but still exceeds that seen in Albania and Kosovo, especially in product development and sourcing decisions.

These differences suggest that, while climate considerations are gaining traction elsewhere, they have yet to become a mainstream driver of strategic and operational decision-making locally.

Climate Change Integration



Source: PwC's 29th Global CEO Survey

Overall, the findings point to an **early-stage approach to climate integration**, with most organizations still building awareness rather than embedding climate considerations into how they design products, manage suppliers, or allocate capital.

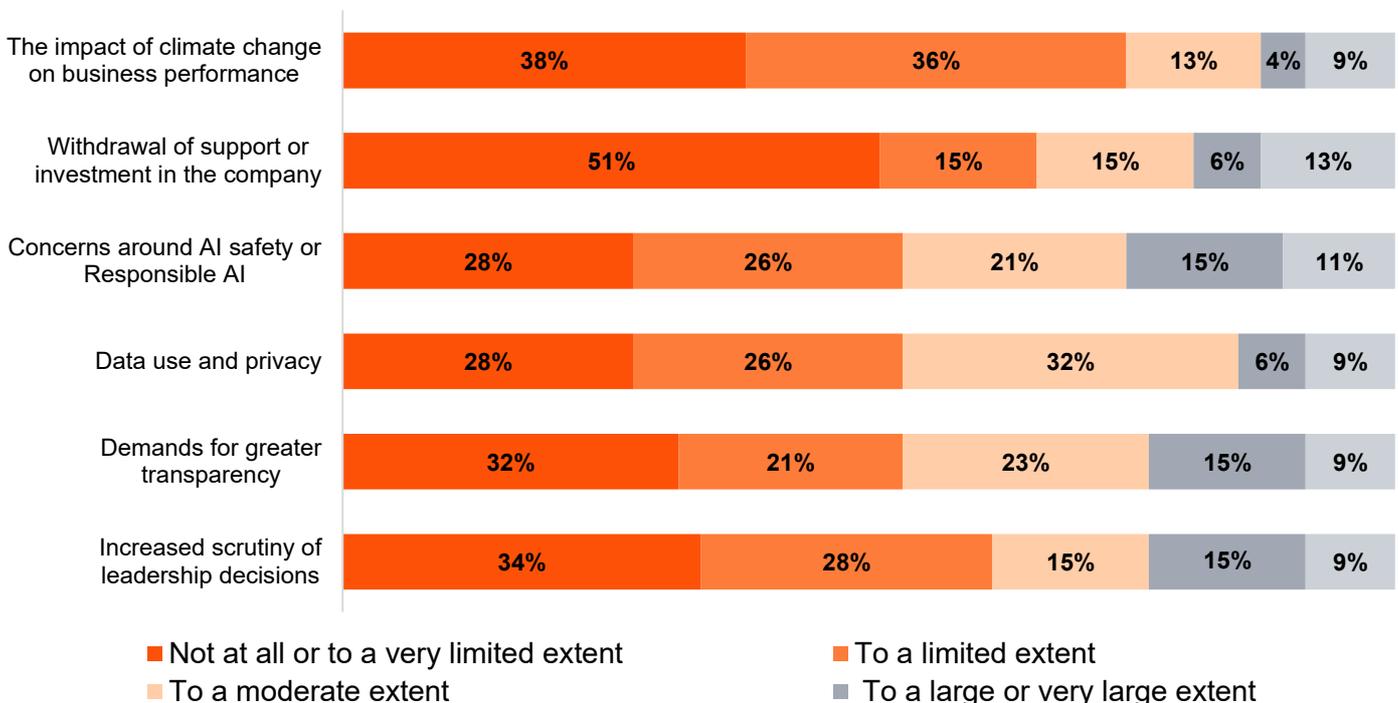
Taken together, the results indicate a clear opportunity for companies in Albania and Kosovo to **move from ad-hoc consideration toward more systematic integration of climate factors**. As regulatory, market, and investor pressures increase, strengthening climate-responsive processes, especially in capital allocation and supply chains will be critical to managing risk and unlocking long-term value.

Trust Pressures Are Present, but Not Widespread

Over the past 12 months, companies across regions have encountered a range of **trust-related concerns** from key stakeholders, including boards, customers, regulators, investors, and employees. While these issues are visible, the survey suggests they are **not yet pervasive** for most organizations.

In **Albania and Kosovo**, trust pressures appear relatively contained. Increased scrutiny of leadership decisions and calls for greater transparency are each cited by **15%** of respondents, placing them among the more prominent concerns locally. Issues related to **AI safety and Responsible AI** are also notable, reflecting growing awareness as AI adoption accelerates. By contrast, concerns around data use and privacy, withdrawal of investment, and the impact of climate change on business performance are reported by a smaller share of companies.

Concerns of CEOs in Albania and Kosovo



Source: PwC’s 29th Global CEO Survey

Across **Central and Eastern Europe**, the trust landscape looks somewhat different. **Data use and privacy** emerge as a more significant issue than in Albania and Kosovo, suggesting heightened regulatory, customer, or public scrutiny in this area. Geopolitical uncertainty and macro-level pressures appear to shape stakeholder expectations more strongly, while climate-related concerns remain present but secondary.

Dynamism or denial?

Organizations can't excel at everything. The challenge facing CEOs at this moment is deciding, together with their leadership teams and boards how their value-creation model must evolve for a decade defined by innovation and industry reconfiguration. While no single path guarantees success, the greatest risk may lie in delaying necessary change.

Throughout this year's CEO Survey, a consistent pattern emerges: **companies that are moving more decisively to reinvent their business and operating models are better positioned for the future.**

While the financial impact of these efforts is still emerging, a meaningful share of respondents report early benefits from AI adoption, particularly on the revenue side. At the same time, only a small minority have fully embedded proven innovation practices across their organizations, highlighting a gap between ambition and execution.

Diversification is also gaining momentum. Around **four in ten companies globally and more than half in Albania and Kosovo, have begun competing in new sectors** over the past five years, reflecting a willingness to adapt business models in response to structural change.

Yet not all organizations are moving at the same pace. Some CEOs cite geopolitical uncertainty as a reason to delay major investments or acquisitions, underscoring the tension between managing near-term risk and positioning for long-term growth. As competitive dynamics continue to shift, the cost of inaction may ultimately prove greater than the risks of reinvention.

Survey methodology

We surveyed 4,454 CEOs in 95 countries and territories from 30 September through 10 November 2025. The global and regional figures in this report are weighted proportionally to countries' nominal gross domestic product, ensuring CEOs' views are broadly representative across all major regions. The industry- and country-level figures are based on unweighted data from the full sample of 4,454 CEOs. Further details by region, country, and industry are available on request.

Among the CEOs who participated in the survey:

- 2% lead organisations with revenues of US\$25 billion or more.
- 4% lead organisations with revenues between \$10 billion and \$25 billion.
- 22% lead organisations with revenues between \$1 billion and \$10 billion.
- 35% lead organisations with revenues between \$100 million and \$1 billion.
- 30% lead organisations with revenues of up to \$100 million.
- 60% lead organisations that are privately owned.

Notes

Percentages in the charts above may not add up to 100% due to rounding; multi-selection answer options; and the decision in some cases to exclude certain responses, including "Other," "Not applicable," and "Don't know" answers.

Advanced statistical techniques

Some analyses used advanced statistical techniques to look for relationships between questionnaire responses. These analyses went beyond dividing CEOs into groups and comparing responses (such as average profit margin) within those groups. Rather, we employed Bayesian multilevel regression analyses within a causal inference framework to estimate counterfactual marginal effects.

Counterfactual marginal effects measure the difference in outcomes that would occur if a specific level of a variable was changed while keeping everything else the same. They help us understand "What would happen if?" scenarios, such as predicting how a business outcome might improve if a particular strategy were implemented differently. This approach allowed us to model the relationships between variables, while accounting for uncertainty, and identify the causal effect of one variable on another, assuming that the hypothesized causal model is correct (i.e. no other variables other than the ones adjusted for affect the two variables of interest).

For most of these analyses, we adjusted for the effects of industry (e.g. industry sector, market concentration), company characteristics (e.g. company size, geography), and CEO characteristics (e.g. tenure). Further, we modelled outcome variables based on the assumed data-generating process (e.g. linear regression, for normally distributed data, and logistic regression, for Bernoulli-distributed data); ordinal predictors were modelled as monotonic effects.



PwC's 29th Annual Global CEO Survey – Albania and Kosovo Edition