



News Release

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Digital transformation set to accelerate as businesses embrace new ways of working - PwC's COVID-19 Pulse Survey

Hamilton, Bermuda - Digital transformation is set to accelerate as businesses embrace new ways of working and focus on building skills for a digital future as a result of the COVID-19 crisis.

While revenue decline is the reality for many companies, a majority of finance leaders see some positive long-term changes for their organisations.

In the Bermuda/Caribbean edition of PwC's **COVID-19 CFO Pulse Survey (May 11)**:

- 63% of CFOs in the Caribbean region say they are planning to accelerate automation and new ways of working, compared to 43% globally.
- Over three quarters of CFOs say work flexibility will benefit their company in the long run.
- 71% of Caribbean finance leaders believe their businesses will be more agile and resilient moving forward, compared to 65% globally.
- More than half of CFOs (54%) in the Caribbean region are considering making remote work a permanent option where feasible.
- Caribbean region CFOs are also protecting investments in technology, with only 14% considering deferring or cancelling investments in digital transformation and none considering cuts to cyber security and privacy investments.

As companies settle into stabilisation, cost containment is a favoured strategy among CFOs, with 80% saying they'll consider it. Over half of finance leaders plan to defer or cancel planned investments, with facilities and general capex (82%) topping the list.

Community spirit remains strong

PwC's survey also finds that 37% of Caribbean region CFOs have increased their company's community-focused efforts in response to COVID-19, such as contributions to nonprofits, pro bono goods and services, or programmes to support vulnerable groups, with a further 34% making no change to corporate responsibility activities.



PwC surveyed 867 chief financial officers in 24 countries and territories, including over 40 in Bermuda and the Caribbean, to gauge their sentiments on how they'll manage business in the new normal. Respondents were from sectors including energy, financial services, manufacturing, media, technology, public sector, nonprofit, and retail.

Arthur Wightman, PwC Bermuda leader and Markets Leader for PwC in the Caribbean, comments:

“As a number of economies slowly start to reopen, it is becoming increasingly clear that businesses have a key role to play in managing the way forward. While governments are issuing broad guidance, it is companies that will need to determine how to keep their people safe, and develop innovative solutions to ensure this safety can be sustained throughout the crisis and recovery. The good news is that finance leaders are confident about their companies' ability to design and implement effective return-to-work strategies.

“CFOs are also finding unexpected opportunities to innovate. Over half of finance leaders in the Caribbean region say they're finding new ways to serve customers, and almost two thirds say technology investments will make their businesses better, indicating Caribbean organisations are increasingly embracing the value of digital transformation.”

“While companies are focused longer-term on business transformation, it's heartening that in the short-term, they are deepening their contributions to community relief efforts and emergency funds.”

Other key findings include:

- **Workplace safety:** Among the tactical measures planned to protect staff, 76% of all CFOs surveyed are considering masks and testing, and 65% say they'll reconfigure worksites to promote physical distancing. **This compares to 85% in the Caribbean who are planning masks and offering testing, and 61% who are planning changes to worksites.**
- **Staffing:** More than one-third (37%) of CFOs globally expect changes in staffing such as temporary leaves or furloughs due to low or slow demand.
- **Supply chains:** 51% of CFOs cite developing alternate sourcing options as the most pressing area. **CFOs in the Caribbean (61%) are more likely than average to plan changing contractual terms.**
- **Revenues:** More than half (51%) of CFOs expect a decrease in revenues of up to 25%. **Caribbean CFOs are more likely (41%) to be unable to assess the range of decrease.**
- **Recovery:** Although 42% of CFOs believe they could return to “business as usual” within three months if COVID-19 were to end today, there is a growing sentiment in many territories that recovery may take much longer. Overall, 8% of CFOs would expect it to take more than one year. **However, 34% of Caribbean CFOs believe it will take less than a month.**

Ends



Notes to editors

PwC's latest COVID-19 CFO Pulse surveyed 867 CFOs from 24 countries or territories from 4-6 May, including: Central and Southern Africa¹, Brazil, Caribbean², China/Hong Kong, Cyprus, Czech Republic, Denmark, France, Germany, Greece, Kazakhstan, Malaysia, Malta, Mexico, Middle East³, Netherlands, Portugal, Singapore, Slovakia, Sweden, Switzerland, Turkey, US, Vietnam.

¹ Representatives from Namibia, South Africa, Zimbabwe, Ghana, Kenya, Mauritius, Nigeria, Togo and Uganda

² Representatives from Bermuda, Bahamas and Jamaica

³ Representatives from Bahrain, Oman, Qatar, KSA, Kuwait, UAE, Egypt, Jordan, and Lebanon

To download the global report with the full findings, visit: www.pwc.com/cfopulse. **For a copy of the Bermuda/Caribbean edition please contact marina.mello@pwc.com.**

PwC is tracking sentiment and priorities about the COVID-19 outbreak among finance leaders around the world in the series of surveys. The next survey and set of results will be in early June.

About PwC

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