



23rd Annual Global CEO Survey
Greek report

Navigating the rising tide of uncertainty

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Our world is changing fast creating uncertainty as well as new and tough challenges for global and local leaders.

Greece has entered the post crisis period with the economy starting to grow again and the investment environment gradually improving. The positive sentiment is affected by the global economic and geopolitical developments that create uncertainties as to the ability of the global economy to continue to expand.

These trends are reflected in the responses of Greek CEOs who seem positive about the prospects of their businesses with concerns about the global outlook. At the same time, the threat of increasing taxation burden has subsided, with global threats relating to geopolitical trends, uncertainty in the global economy, trade conflicts and impact of climate change rising up in terms of importance in the Greek CEOs agenda.

The cyber environment is also a source of multiple challenges for leaders with data privacy and cyber threats increasing complexity and making imperative the need for control and regulation.

Confronting and tackling the challenges of the Fourth Industrial Revolution, requires new skills and a new mindset. Technology is not a threat, whereas it creates opportunities to plot effective strategies that meet the needs of the organisations and lead to sustainable growth. Greek CEOs have recognised the need to develop a culture that is open to technology and new ways of working which enable upskilling.

Finally, we see climate change and the related consequences gaining ground on the agenda of the CEOs as it also lies among the top 4 threats for Greek CEOs.

Marios Psaltis
CEO, PwC Greece

Four key themes emerged:

Uncertainty undermines outlook

No matter where CEOs look or from where they are looking, the path forward is fraught with uncertainty. And uncertainty weighs on growth. In the past two years, the percentage of CEOs who believe global GDP growth will decline has increased tenfold (from 5% to 53%). In every region, CEOs report increased pessimism. And in almost every region, they show significantly diminished confidence in their own organisation's 12-month revenue growth prospects. CEOs are more sanguine about the prospects for the coming three years; however, confidence levels are still at a low not seen since 2009. Over-regulation remains the top threat, but concern is also rising over uncertain economic growth, in particular, as well as over trade conflicts, climate change and cyber threats. The unknowns on all of these fronts cloud CEOs' outlook on the road ahead.

Setting up guard rails in cyberspace

The internet — the great global connector and democratiser of information — is now confronting the unintended and dangerous consequences of its promise. With no effective global framework in place that can govern practices or control attacks on digital technology, a majority of CEOs surveyed foresee increasing legislation around online content, data privacy and dominant tech platforms. As a result, it is likely that the internet will become more fractured. The backlash against the internet's dominant model of one global, all-encompassing and all-knowing platform is an expected development — and may lead to a path forward that is at once more distributed and underpinned by certain common standards. If the global economy is to realise the full promise of the Fourth Industrial Revolution, a greater level of coordination on these issues will be necessary.

To upskill or not to upskill is no longer the question

There are correlations among upskilling progress, economic optimism and revenue confidence. Furthermore, CEOs who have embraced the potential of upskilling are realising the rewards, such as a stronger corporate culture, greater innovation and higher workforce productivity. Those furthest along in the upskilling journey cite employee retention as the primary challenge, whereas those just beginning the process find motivation and lack of resources to be the biggest obstacles. One reality is clear: increases in automation, changes in demographics and new regulations will make it much harder for organisations to attract and retain the skilled talent they need to keep pace with the speed of technological change. They will have to grow their own future workforce.

Climate change: an opportunity cloaked in crisis

The tide has turned on climate change. Organisations worldwide are starting to recognise its risks and even its potential opportunities. Compared with ten years ago, CEOs today are far more likely to see the benefits of going 'green,' such as reputational advantage, new product and service opportunities, and government or financial incentives. Looking at the results on a regional basis, there are some expected findings and a few concerning ones. Organisations in Western Europe and Asia-Pacific are furthest ahead in assessing the transition risks to a greener economy, which is not surprising, given government commitments to sustainability in these regions. By contrast, in the Middle East, where economies are most exposed to the global progression towards clean energy, organisations are comparatively behind in assessing the changes likely to result from a low-carbon future.

1. Growth

Uncertainty
undermines
outlook



Globally, CEOs express a record level of pessimism regarding the global economic outlook in 2020, with 53% projecting a decline in the rate of global economic growth, up sharply from 29% last year.

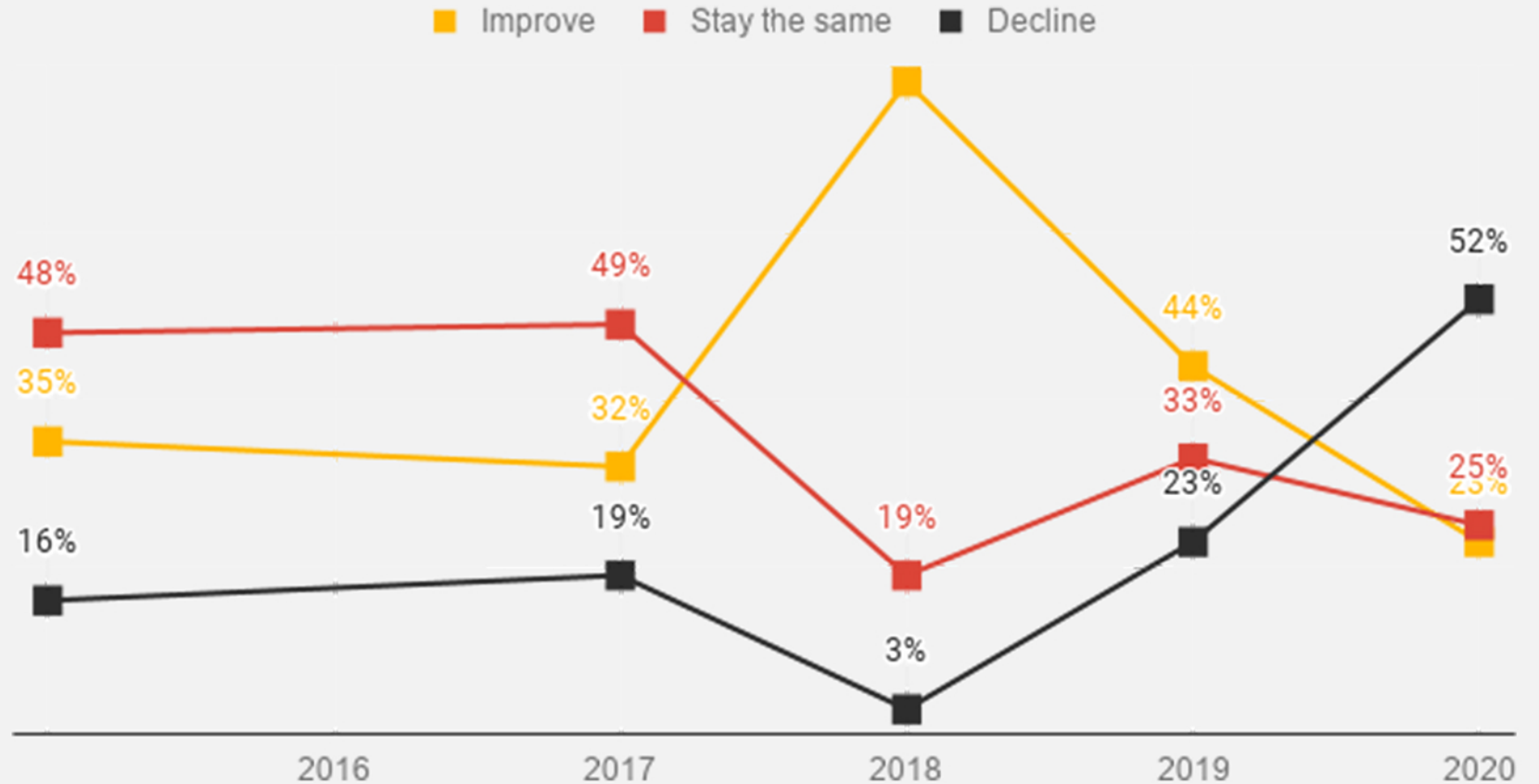
Exhibit 1

CEOs have shifted from record optimism to record pessimism over the past two years

Question

Do you believe global economic growth will improve, stay the same or decline over the next 12 months?

Greek findings



In every region — Africa, Asia-Pacific, Central and Eastern Europe (CEE), Latin America (including Mexico), the Middle East, North America and Western Europe — the prevailing sentiment is the same: global economic growth will slow in 2020.

Exhibit 2

Pessimism on growth holds across all regions

Question

Do you believe global economic growth will improve, stay the same or decline over the next 12 months?

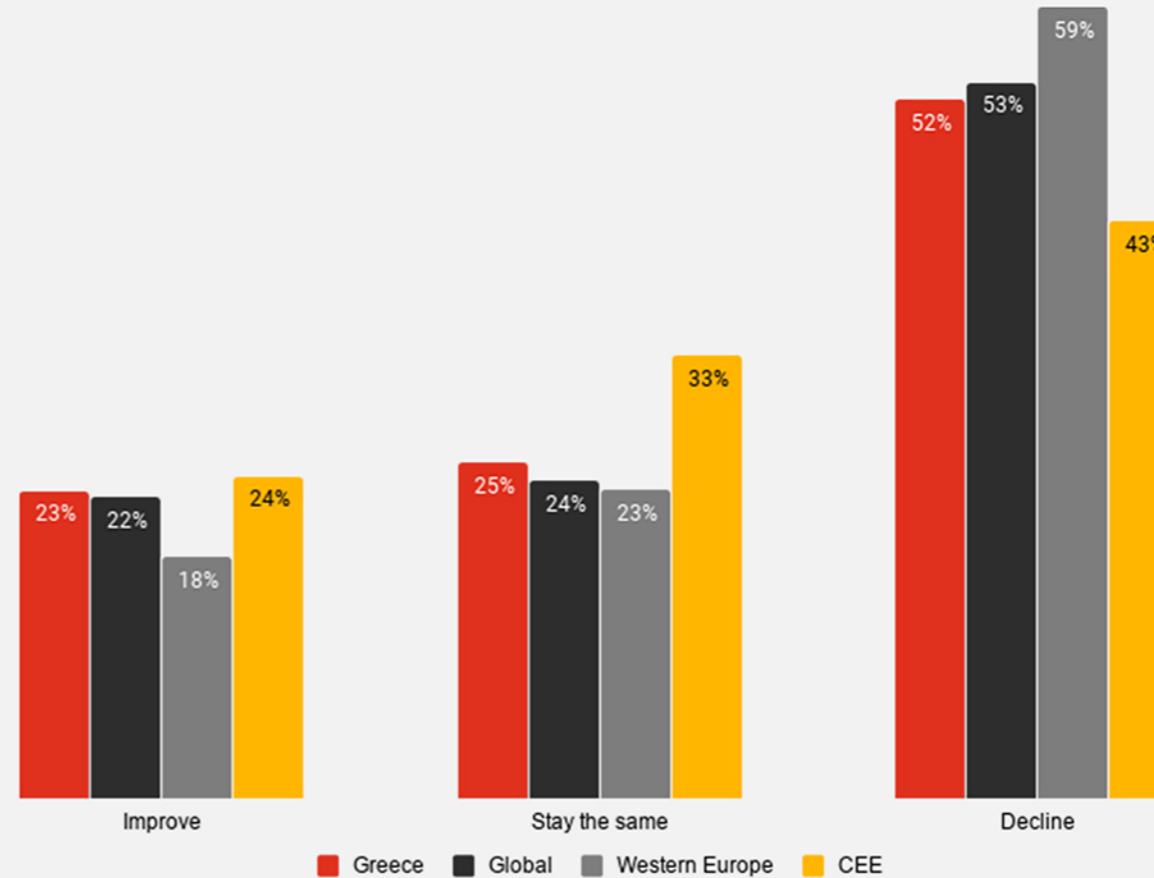


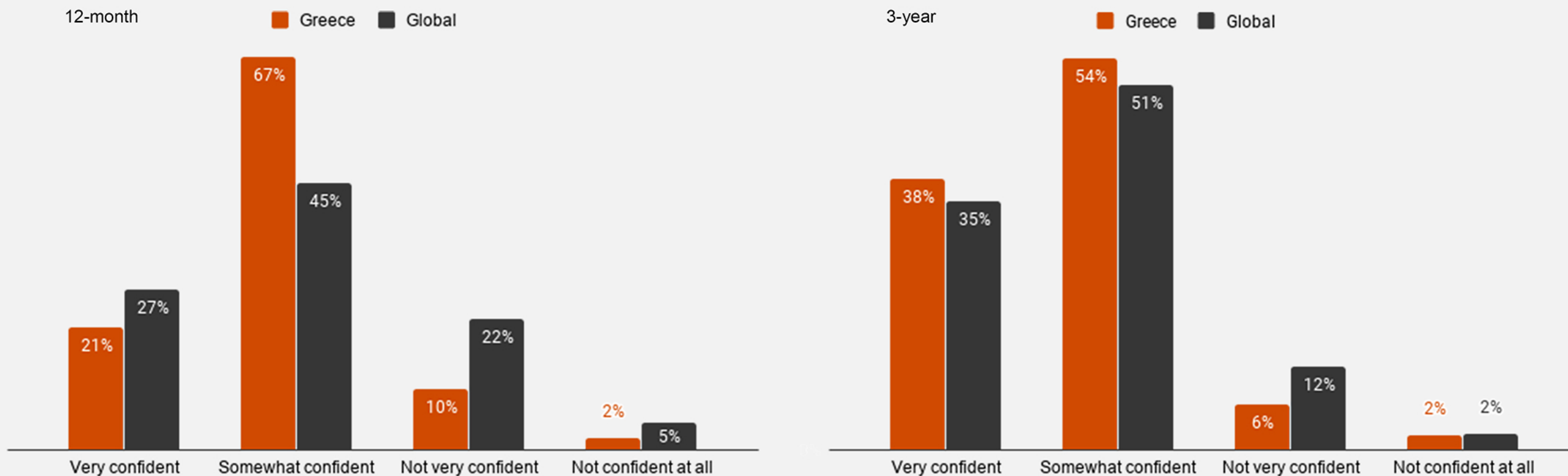
Exhibit 3

Greek CEOs confidence regarding the short term and long term growth of their companies has significantly increased reflecting the positive sentiment of the post crisis

Greek findings

Question

- Do you believe global economic growth will improve, stay the same or decline over the next 12 months? (showing only 'improve')
- How confident are you about your organisation's prospects for revenue growth over the next 12 months/next three years? (showing only 'very confident')





Greek CEOs, similar to global CEOs will focus on the inside-out approach to growth by focusing on internal initiatives. Transformation becomes a higher priority in their agenda.

69% Operational efficiencies

81% Organic growth



Global threats:

Crossing uncharted territory

The general theme of uncertainty hindering progress moved to the fore in our survey's ranking of threats to organisations' growth prospects. Although over-regulation remained the top threat cited globally, CEO concern over uncertain economic growth surged from number 12 to number three (see Exhibit 5). The other concerns registering prominently on CEOs' radar are trade conflicts, cyber threats and policy uncertainty.

Beyond these top five threats, persistent challenges, such as availability of key skills, geopolitical uncertainty and the speed of technological change, also remain top-of-mind; similar percentages of CEOs as last year cited them as an 'extreme concern.'

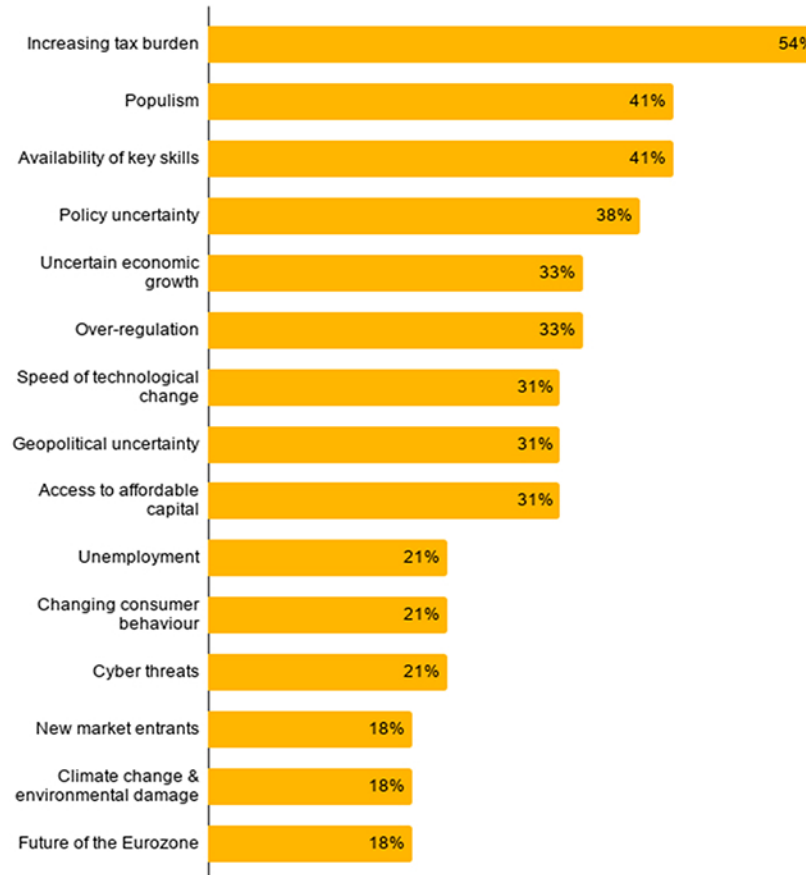
Climate change and environmental damage is another concern worth calling out. Despite it being just outside the survey's ranking of top ten threats, the share of CEOs citing it as an 'extreme concern' rose from 19% to 24%. Climate change is increasingly prominent on CEO agendas, as we discuss later in this report.

Greek CEOs express increasing concern over uncertain economic growth trade conflicts and other global disharmonies

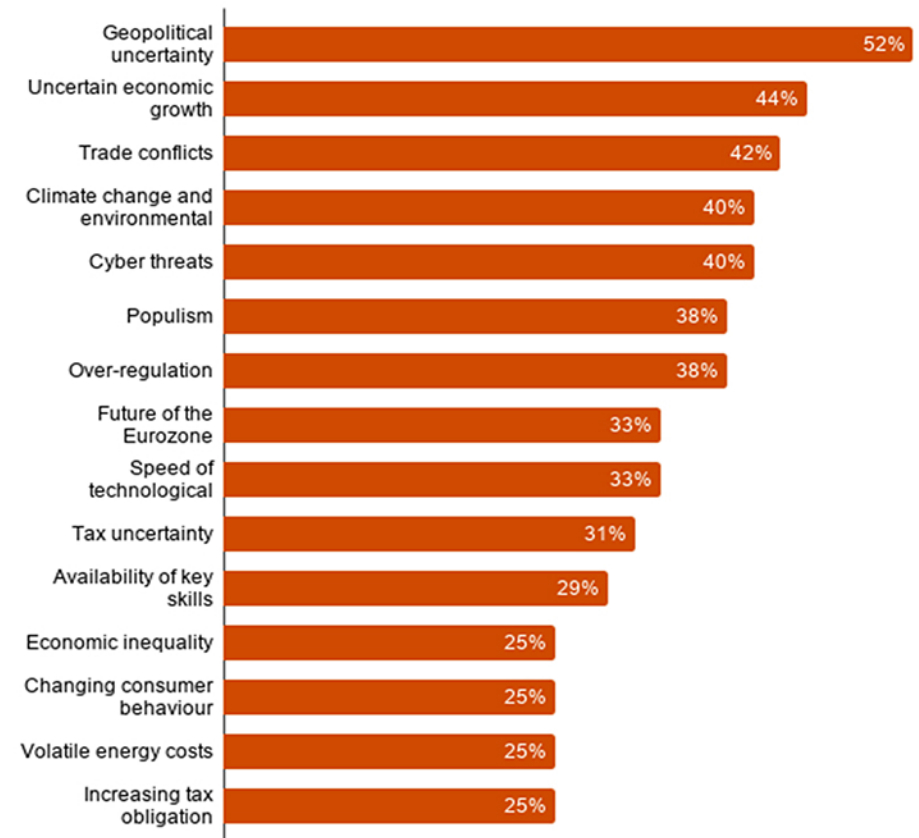
Exhibit 4
Greek findings

Question How concerned are you, if at all, about each of these potential economic, policy, social, environmental and business threats to your organisation's growth prospects? (showing only 'extremely concerned')

Top 15 threats in 2019



Top 15 threats in 2020



Tax burden had been an important concern for Greek CEOs for the last years', compared to the rest of the world. This year's responses give the feeling of complacency.

Exhibit 5

Question:
How concerned are you about the economic, policy, social and environmental threats to your organisation's growth prospects?

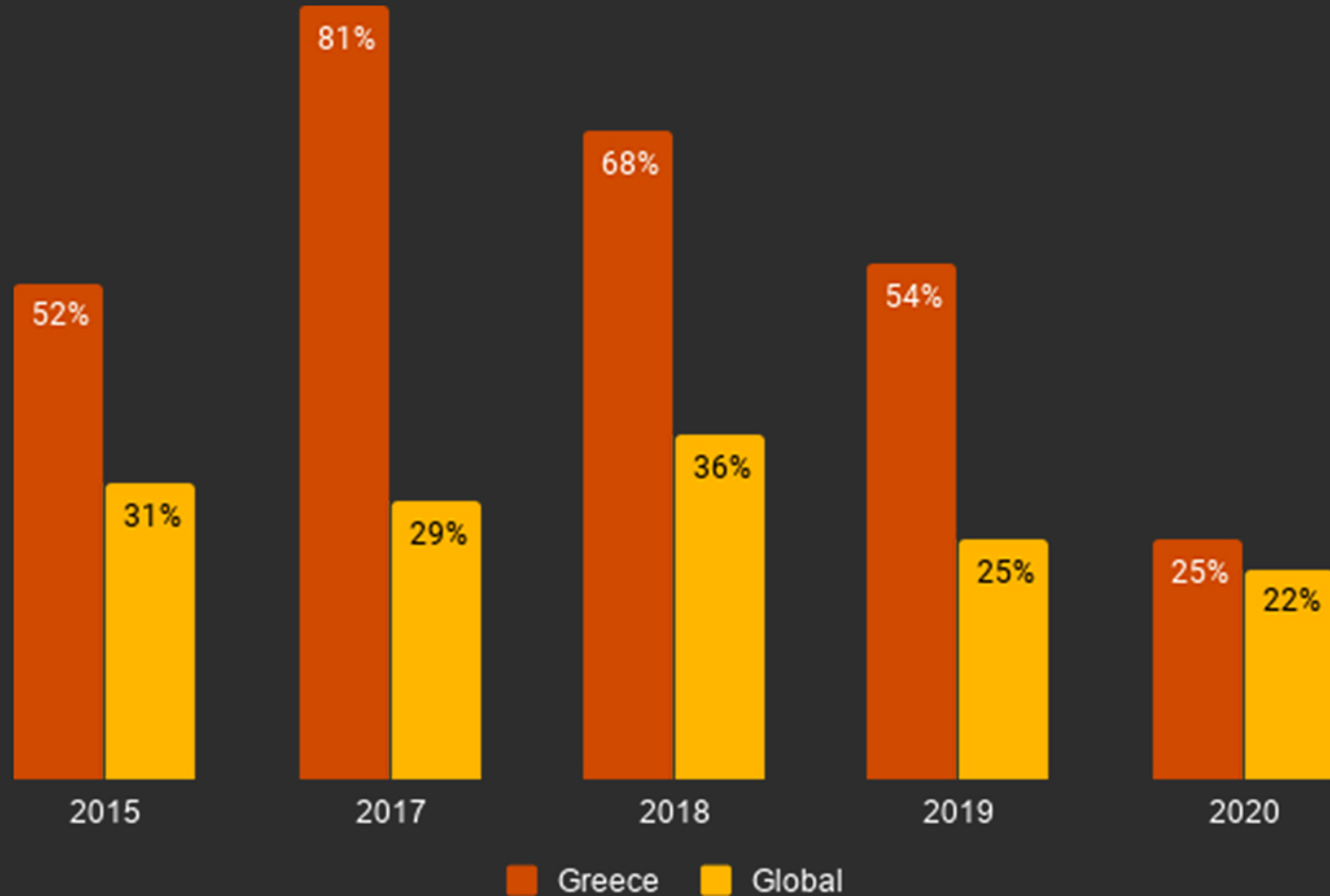
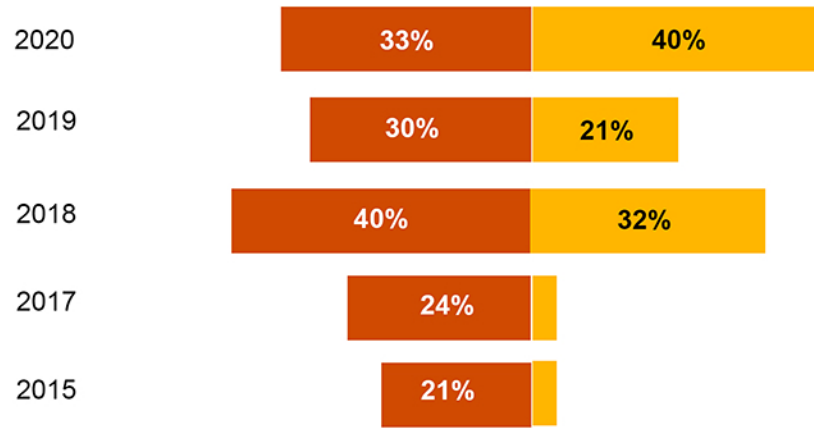


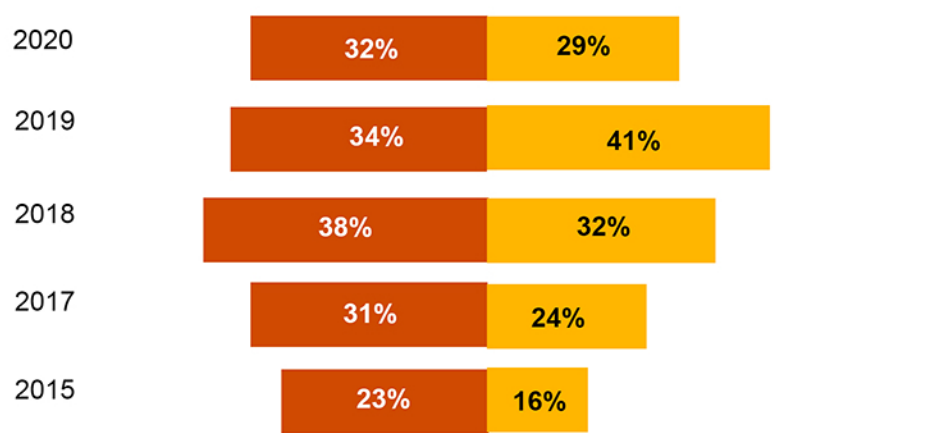
Exhibit 6

Question
How concerned are you, if at all, about each business threat to your organisation's growth prospects?

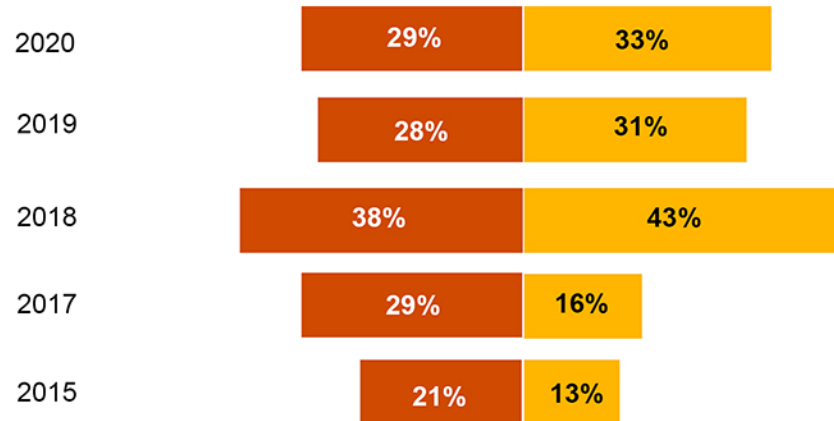
Cyber threats



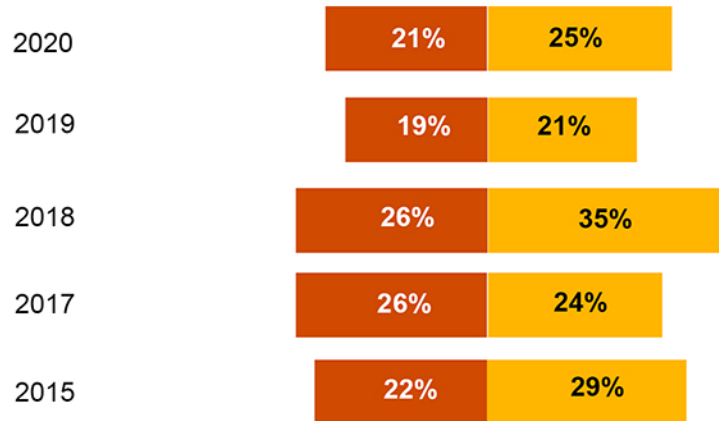
Availability of key skills



Speed of technological change



Changing consumer behavior



Cyberthreats and speed of technological change throughout the years are increasingly concerning Greek CEOs.

2. Technology regulation

Setting up guard rails in cyberspace



In every major industrial revolution, a broad new underlying technology has appeared that fundamentally transformed society, and, more specifically, the nature of work. In the first Industrial Revolution, it was the steam engine. In the second, it was mass production. In the third, it was digital tools, especially the semiconductor and personal computer, turbocharged by the internet.

Technologies that leverage big data — artificial intelligence (AI), robotics, the Internet of Things (IoT) — and bring the physical and digital spheres together are now propelling the Fourth Industrial Revolution.¹¹

But as with all other industrial revolutions, perils lurk in the promise of these transformative technologies. The private sector's implementation of these innovations is outpacing the development of regulatory systems and standards to mitigate their risks. Organisations interested in global cybersecurity and internet governance are fragmented. No global framework exists that can control attacks on digital technology. And in many areas, digital dominance is increasingly seen as both an economic competitive advantage and a national security imperative.

So the debate rages on as to whether governments should adapt their existing frameworks to emerging standards, or draw new boundaries on data privacy, content moderation, and the size and reach of dominant platforms (e.g., Facebook, Google, Amazon, Apple). If those boundaries are drawn too tightly, they inhibit cross-border data flows, the effectiveness of cybersecurity and, simply put, innovation. The friction between these imperatives sows distrust and division, resulting in the increased fragmentation of societies.

40%

Share of Greek CEOs are extremely concerned about cyber threats



This year, we asked CEOs to think about the future (2022 and beyond) and select from a series of opposing statements on whether and where they thought governments would intervene in regulating the technology sector.

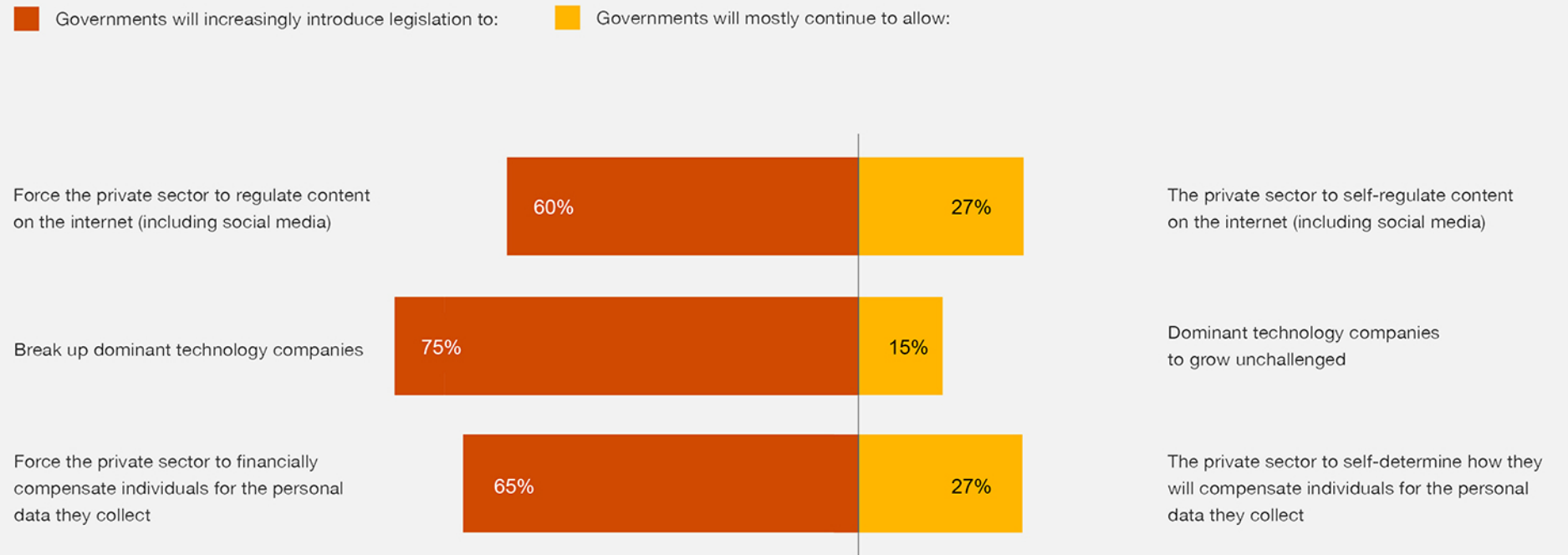
Exhibit 7

Most CEOs foresee legislation on internet content, the breakup of big tech companies and compensation for personal data

Greek findings

Question

Thinking about the future (2022 and beyond), please select the statement that you believe is more likely to occur:

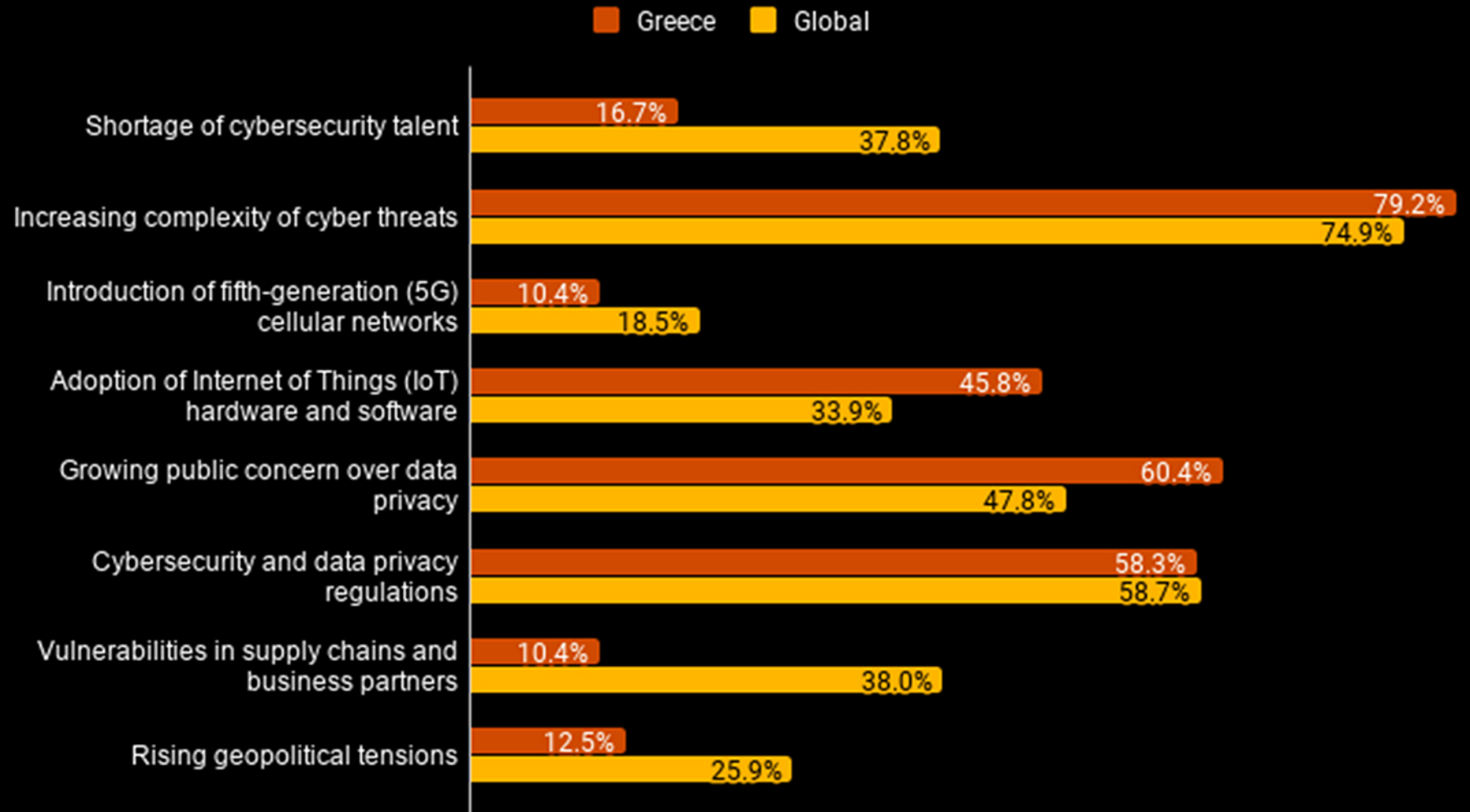


Compared to the rest of the world, cyber risks introduced as part of the broader ecosystem (service providers and business partners) is still “under the radar” for the Greek companies in shaping their cybersecurity strategy.

Exhibit 8

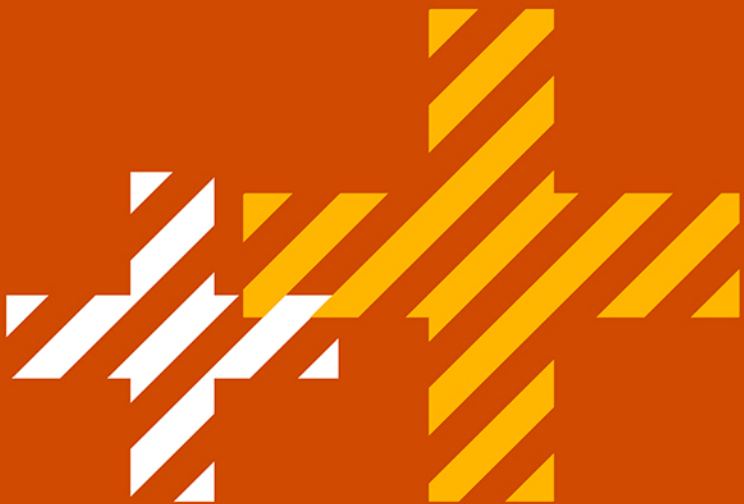
Question

What key factors are having the greatest impact in shaping your cybersecurity strategy?



3. Upskilling

To upskill or not to upskill is no longer the question





In 2013, two young Oxford University researchers published a paper stating that roughly half of US jobs were “at risk of computerisation,”¹⁴ igniting a debate that has steadily climbed up the CEO agenda. PwC’s own analysis of more than 200,000 jobs in 29 countries¹⁵ — although less foreboding — confirms that 30% of jobs are potentially subject to automation by the mid-2030s, and that workers with lower education levels will be hardest hit initially.

Blue-collar jobs will be replaced by ‘new collar’ jobs that require a combination of digital, technical and soft skills that are going unfilled in today’s tight global labour market. Unemployment rates continue to fall in OECD countries (see Exhibit 12).¹⁶ And the supply of people possessing STEM (science, technology, engineering, math) skills and the uniquely human skills (e.g., creativity, empathy, collaboration) increasingly prized in today’s job market cannot keep up with demand.

This worldwide skills shortage is exacerbated by the barriers to talent mobility being erected around the world.

Indeed, this year’s survey saw a pronounced increase (from 45% to 52%), compared with five years ago, in the percentage of CEOs responding ‘no’ to the question, ‘Is cooperation among governments and businesses leading to greater movement of skilled labour between markets?’ (see Exhibit 12). Finally, employers and workers alike confront a profound demographic dilemma — a rapidly ageing labour force in many markets. The pool from which to recruit new talent is drying up.

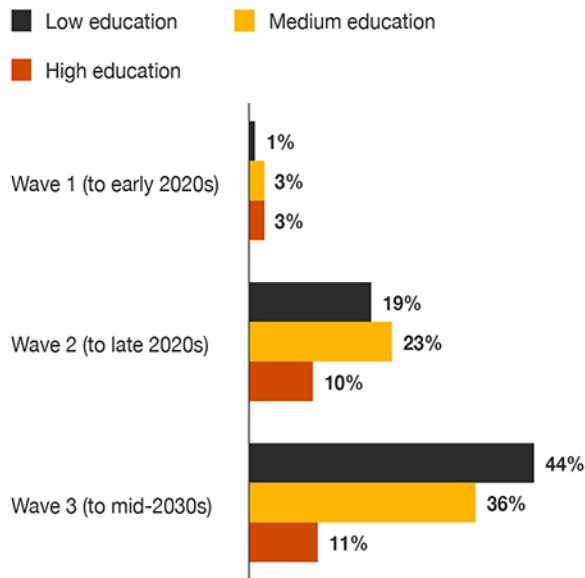
The Fourth Industrial Revolution has ushered in new business models and new ways of working that require critical new technical, digital and soft skills. Those skills are in very short supply. Indeed, the availability of key skills has been a top ten ‘extreme concern’ for the last decade, impeding innovation and prompting higher people costs.¹⁷ Businesses cannot hire their way over this skills gap at a price they can pay, so the imperative is clear. Employers and employees must join hands and invest in upskilling or risk irrelevance.

Exhibit 9

Four global key forces are driving the upskilling imperative

1. Increasing job automation

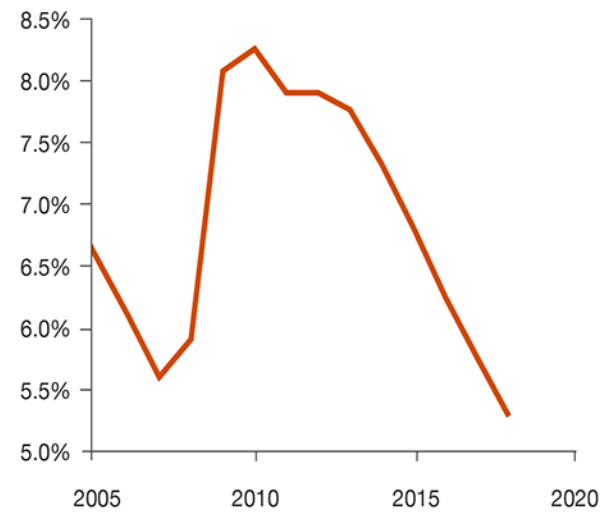
Percentage of existing jobs at potential risk of automation by education level across waves



Source: PwC, *Will robots really steal our jobs? An international analysis of the potential long term-impact of automation*

2. Decreasing talent availability

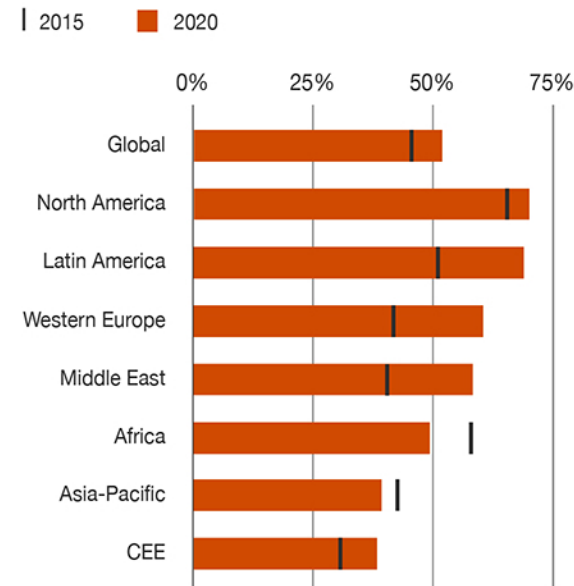
OECD unemployment rate (% of total labour force)



Source: OECD

3. Decreasing mobility of skilled labour

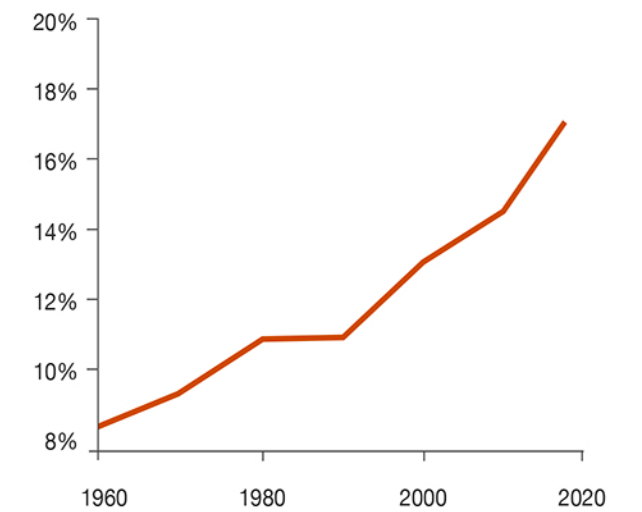
Is cooperation among gov'ts and businesses leading to greater movement of skilled labour between markets? (showing only 'no')



Source: PwC, 23rd Annual Global CEO Survey
Base: Global respondents (2020=1,581; 2015=1,322)

4. Ageing talent

OECD population ages 65 and above (% of total population)



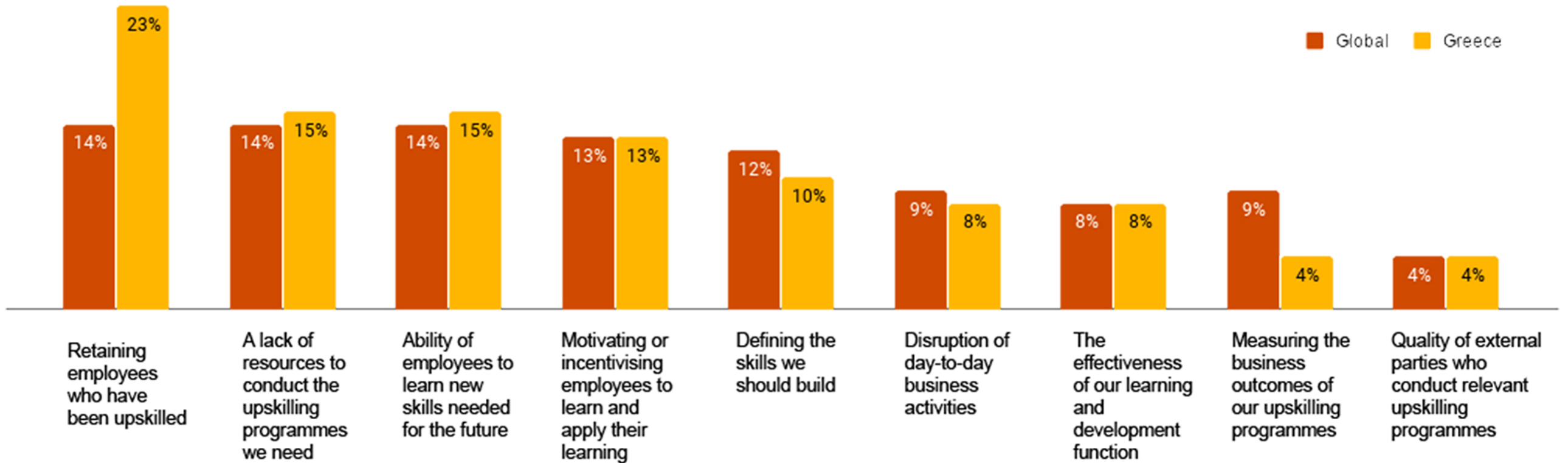
Source: World Bank Group

Exhibit 10

The biggest challenges Greek CEOs face are retaining their trained people, lack of relevant resources and the ability of employees to learn new skills

Question

Please rank the three greatest challenges your organisation currently faces in its upskilling efforts. (showing percentage ranked first)



It's a new world that needs new skills. To many, that is an exciting prospect, because it speaks to progress. But the sheer speed, scope, and impact of technological change is also challenging businesses — and society at large — in fundamental ways. The future of work is no longer a global, or European issue only but it relates to Greece as well.

In the post crisis era whatever long-term growth we can hope for, it needs to be linked with the future dynamics of work and the way workforce will be disrupted as technology affects all industry sectors, all institutions, all citizens, everywhere, to a greater or lesser extent.

It's about creating the cultural foundations to inspire changes and capitalize on the momentum. Leaders must show the path and all of us have to walk it. To enable this requires inclusion, everybody has a role to play, and to provide the time and the tools to people for learning.

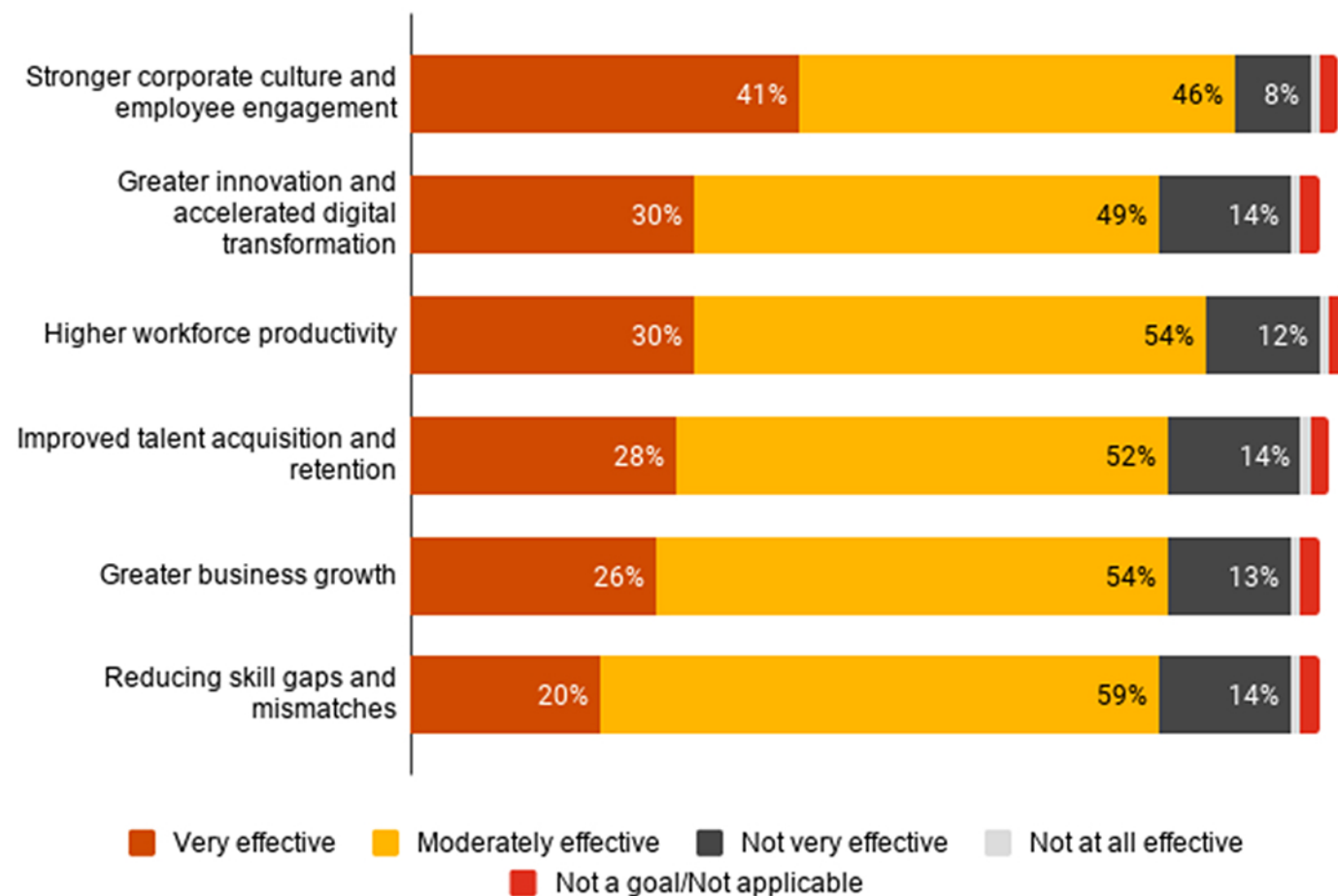
Marios Psaltis
CEO, PwC Greece



Greek CEOs have recognised the importance of working on the culture of the company in order to achieve upskilling and engage with their employees

Exhibit 11
Greek findings

Question
How effective are your upskilling programmes in achieving the following outcomes?



4. Climate change

An opportunity
cloaked in crisis



Through the 1950s, scientists believed that the CO₂ emitted by human industry would be largely absorbed by the oceans. In other words, they believed that CO₂ levels would not rise appreciably as a result of anthropogenic activity.²¹ Today, there is general consensus among climate scientists that human activity, in addition to natural factors, contributes to climate change.²² The Intergovernmental Panel on Climate Change (IPCC) estimates that the Earth's mean surface temperature is now 1°C above what it was in the pre-industrial world and is rising by about 0.2°C a decade.²³ We are seeing more frequent and intense extreme weather events, changing patterns of rainfall and drought, damaged communities and ecosystems, and rising sea levels.

In 2015, government leaders pledged to hold further increases to “well below” 2°C as part of the Paris Agreement. There has been moderate progress in achieving its stated goals — the global economy is becoming more energy efficient, and de-carbonisation technologies are moving beyond the drawing board — but the pace of change has seemingly stalled, according to PwC's own research.²⁴

As CEOs try to navigate disruptive weather impacts, fractured climate policy, rising expectations from the public and the demands of remaining competitive, they are facing a higher level of climate-induced uncertainty.

40%

Share of greek CEOs who are 'extremely concerned' about climate change and environmental damage.



Climate change and the need to take actions is gaining ground on the agenda of Greek CEOs. Climate oriented initiatives are perceived as business opportunities.

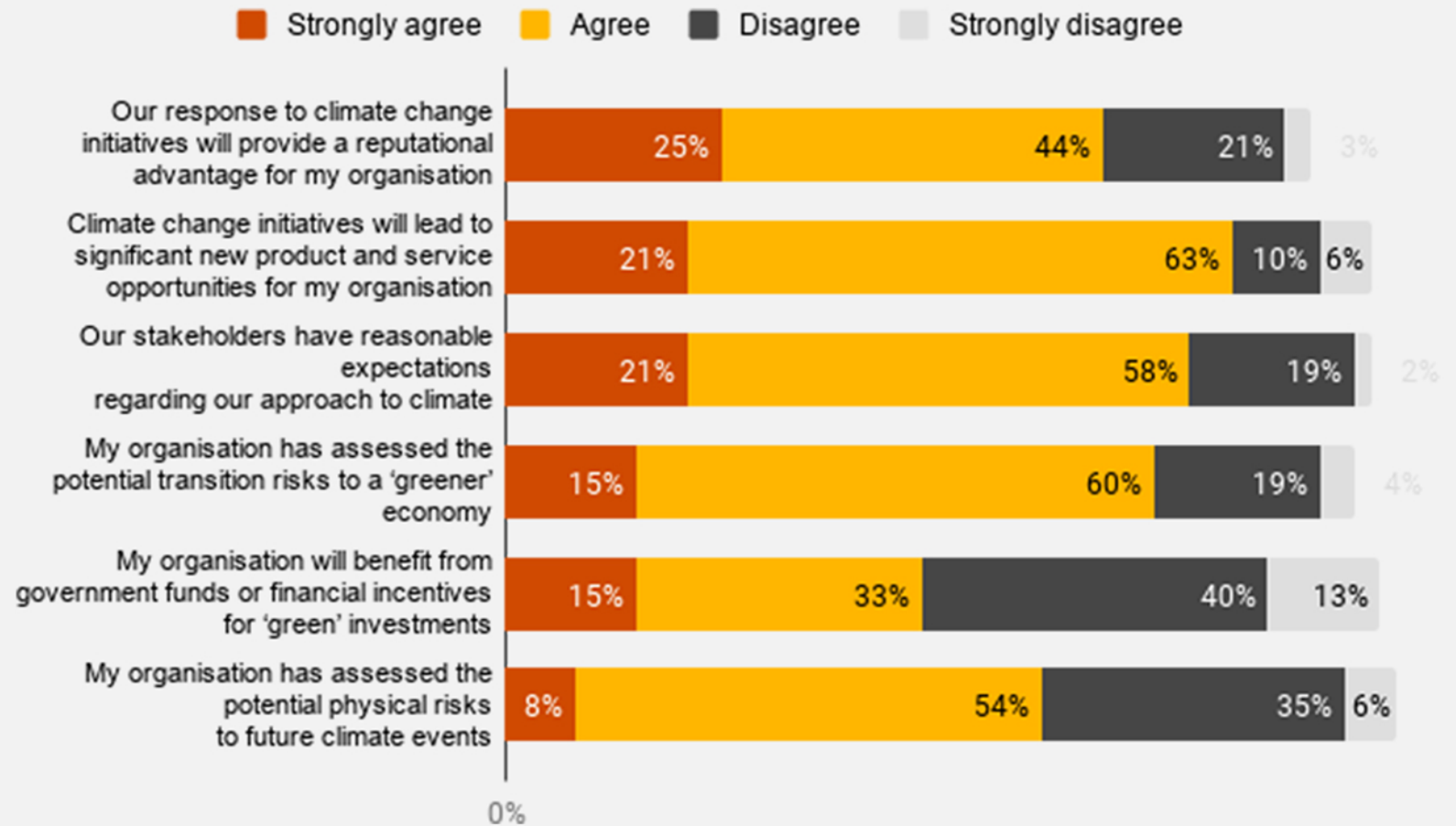
Exhibit 12

Greek CEOs recognise the importance of climate change, and start to take actions.

Greek findings

Question

How strongly do you agree or disagree that: “my organisation assessed the potential transition risks (e.g., carbon regulation and technology shifts) to a ‘greener’ economy?”



Survey methodology

PwC surveyed 3,501 CEOs in 83 territories in September and October 2019. The sample of 1,581 CEOs used for the global and regional figures in this report are weighted by national GDP to ensure that CEOs' views are fairly represented across all major regions. Further details by region and industry are available on request. Seven percent of the interviews were conducted by telephone, 88% online, and 5% by post or face-to-face. All quantitative interviews were conducted on a confidential basis.

Of the 1,581 CEOs whose responses were used for the global and regional figures:

- 46% of their organisations had revenues of US\$1bn or more.
- 35% of their organisations had revenues between US\$100m and US\$1bn.
- 15% of their organisations had revenues of up to US\$100m.
- 55% of their organisations were privately owned.

Notes:

- Not all figures add up to 100% as a result of rounding percentages and excluding 'neither/nor' and 'don't know' responses from exhibits.
- The base for global figures is 1,581 (global respondents) unless otherwise stated.

We also conducted in-depth, face-to-face interviews with CEOs from six regions. Some of these interviews are quoted in this report, and more extensive transcripts can be found on our website at <https://www.strategy-business.com/inside-the-mind-of-the-ceo>.

The research was undertaken by PwC Research, our global centre of excellence for primary research and evidence-based consulting services.

<https://www.pwc.co.uk/pwcresearch>

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