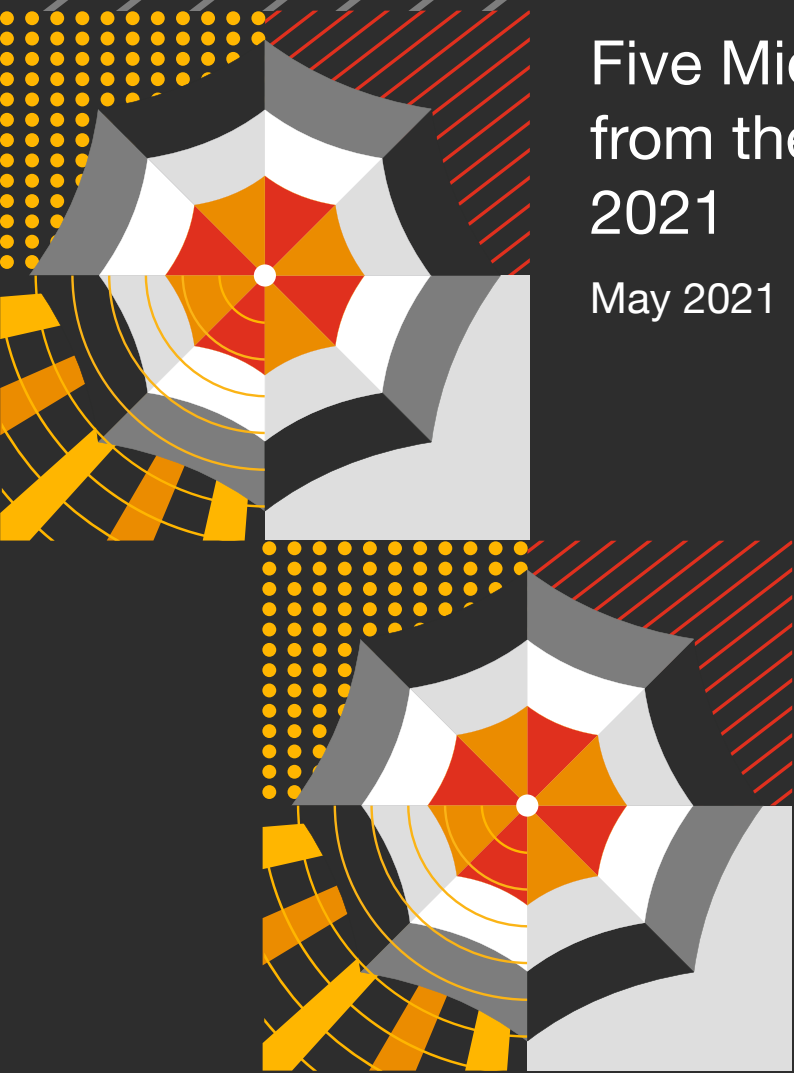
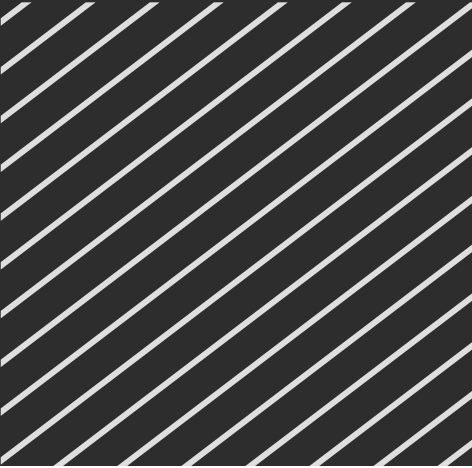


Building a more resilient tomorrow, today

Five Middle East key findings
from the Global Crisis survey
2021

May 2021





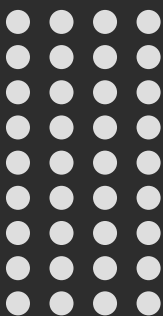
During the outbreak of COVID-19, business leaders have demonstrated the degree to which our region is closely integrated with the global economy. Crisis response plans largely followed the worldwide pattern, from the mass shift to remote working to the impact from disrupted international supply chains and subsequent localisation initiatives.

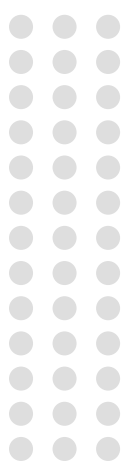
Middle East organisations also brought distinctive attributes based on historic and ongoing changes already impacting the region, which has enhanced their ability to manage the challenges of an unprecedented public health crisis.

Firstly, they have vast experience of coping in a dynamic and often disruptive environment at the epicentre of the five long-term forces – or **megatrends** – reshaping our world: demographic and social change; an eastward shift in global economic power; urbanisation; resource scarcity and climate change; and the rise of technology.

Secondly, Middle East businesses are committed to supporting the region's ambition to build more diversified and digitised knowledge economies by the end of the decade with distinctive national visions, proactively tackling these key drivers of change and building a more adaptable and resilient future for our region.

These drivers are behind five of the key findings from the Middle East results.





41%

1.

of Middle East respondents say the pandemic has positively impacted their business, double the global survey average

The significant proportion of regional business leaders who believe their companies have been strengthened by the crisis illustrates the resilience of organisations inured to external shocks and corporate cultures. A greater number of Middle East respondents say their organisation already had a designated core response team prior to the crisis, and that the wider organisation was aware of the team’s responsibility for responding to external shocks and emergencies.¹

It also illustrates the ability of organisations to adapt at speed and pivot quickly in the face of uncertainty, along with the cushioning impact of various government support programmes in the UAE and other Middle East countries. The view that tackling a crisis can act as a springboard for growth is echoed by the Middle East respondents to PwC’s latest CEO Survey, with more than half of them expressing confidence that their organisation’s revenue will increase over the next one to three years.² Meanwhile, our latest annual TransAct Middle East report shows that in 2020 M&A activity increased across the region by 6%, against a global decrease of 9%.³

2.

Middle East business leaders place greater importance on organisational resilience than their international peers

No CEO enjoys pinpointing where their organisation is weak. What sets Middle East business leaders apart from most of the survey group is their seemingly greater willingness to address vulnerabilities that have been exposed by the pandemic. 48% of respondents say they have paid significant attention to organisational resilience, and have already identified business areas which need enhancement, compared with a global survey average of 30%. This willingness to repair, rethink and reconfigure will put Middle East organisations in a stronger position to weather future crises.

Respondents who said that they have paid significant attention to organisational resilience, and have already identified business areas which need enhancement



3.

More Middle East business leaders say their employees have a positive view of the organisation's response to COVID-19

84% of Middle East respondents report general confidence and pride in their organisation's crisis management and communication, compared with 71% globally. The importance of communication emerges as a strong theme. Overall, a slightly higher proportion of Middle East respondents than the global survey average say that specific COVID-19 crisis response roles and responsibilities in their organisations have been clearly set out, especially for different geographic territories and business units.

This confidence in the COVID-19 response and communication is also reflected more broadly by citizens across the region. In our Global Consumer Insights Survey COVID-19 Pulse, 81% of respondents in leading Middle East cities felt that their city was managing the pandemic effectively, compared with 56% globally.⁴



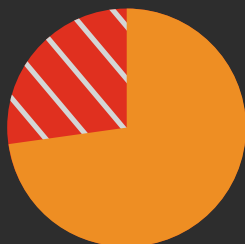
84%

of Middle East respondents report general confidence and pride in their organisation's crisis management and communication, compared with 71% globally.

4.

In the wake of COVID-19, Middle East business leaders are generally more confident about identifying future risks

73% of respondents in the region believe they are well positioned to assess long-term business threats. Their confidence is underpinned by the transformational changes across the Middle East in recent years in key areas such as IT infrastructure, operations, technology and cybersecurity. As the region's digitisation drive continues, cyber threats are now rising rapidly up corporate agendas as potential business risks. For example, 43% of Middle East respondents in our 24th CEO Survey say they plan to increase investment in cybersecurity by 10% or more over the next three years, well ahead of the global average of 31%.



73%

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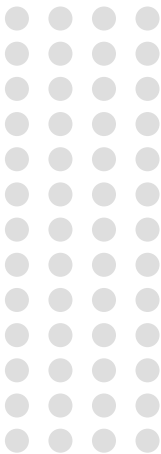
5.

Middle East business leaders share their global peers' confidence that they can quickly adapt their strategy in a future crisis

80% of respondents expressed confidence that they can quickly adapt their strategy in a future crisis, inline with 75% globally. These broadly similar levels of confidence testify to the resilience of businesses that have managed to adapt quickly to survive, often by undergoing the cycle of repair, rethink, reconfigure and, in some cases, restart.⁵

80%

of respondents expressed confidence that they can quickly adapt their strategy in a future crisis, inline with 75% globally.



Our survey shows that when it comes to technology, brand and reputation, and organisational resilience, Middle East respondents are more likely to be in a 'better place' than before the pandemic.

The dual shock of COVID-19 and falling oil prices has accelerated change in a region which was already undergoing profound, rapid transformation, propelling organisations to make further adjustments to their business and operating models to ensure resilient value preservation and creation. As an ability to deal with the unexpected becomes second nature, a new kind of tomorrow starts today.



¹ 43% for the Middle East compared with 36% globally

² 24th CEO Survey - Middle East findings <https://www.pwc.com/m1/en/ceo-survey.html>

³ TransAct 2021 <https://www.pwc.com/m1/en/publications/transact-middle-east-2021.html>

⁴ Global Consumer Insights Survey COVID-19 Pulse

⁵ The GCC post-pandemic: Massive and fast transformation <https://www.pwc.com/m1/en/assets/document/gcc-massive-fast-transformation-online.pdf>

To find out more about the survey and the global results, or to benchmark your organisation and receive your own personalised report, please visit us at pwc.com/me/gcs-me-2021 or contact us below.



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