



For CEOs, reinvention momentum is building

Continuous reinvention is vital for West African CEOs to thrive in today's business landscape. PwC's 27th Annual Global CEO Survey, West Africa report reveals CEOs in West Africa recognise urgent transformation is critical to navigate challenges like economic growth, AI, business viability, and sustainability. The urge to reinvent is intensifying, with 45% of CEOs believing that their company will not be viable in ten years if it stays on its current path.

CEOs expect more pressure over the next three years than they experienced over the previous five from technology, climate change and nearly every other megatrend affecting global business.

Business model viability

In the medium-term, CEOs in West Africa markets expect technology change, government regulation, changing consumer preferences, and intensified competition to be the main drivers presenting risks to business model viability. Almost half (45%) are concerned their businesses will not be viable beyond the next decade without reinvention. A significant 42% of West African CEOs consider the regulatory environment as a major hindrance to their company's ability to innovate in value creation.

Many expect to respond to these pressures by adapting their business models. The gains from adaptation will be short lived. Our experience is that companies that excel in their industries continuously reinvent their business models rather than adapt them to changed circumstances.

Your next move: Understand and embrace continuous reinvention

Reinvention helps CEOs proactively capture opportunities and fend off threats more effectively. Many of the barriers to reinvention are within CEOs' realm of influence: competing operational priorities, financial constraints, lack of skills, limited tech capabilities, and internal red tape. These must all be on CEOs' to-do or fix-it lists if they are going to successfully reinvent their business models for long-term viability.

Key findings from PwC's 27th Annual Global CEO Survey, West Africa report

45% of CEOs believe their company will not be viable in ten years if it stays on its current path.

60% of CEOs believe generative AI can boost efficiency within a year but **nearly half (49%)** are yet to implement.

65% of West African CEOs have noted the significant impact of adopting new technologies on boosting their business value.

West African CEOs recognise the importance of sustainability but are inhibited by factors like lack of external stakeholder demand (**23%**) and regulatory complexity (**18%**).



Generative AI

AI reached a tipping point in 2023. One type, generative AI (GenAI), is so powerful and easy to use, it's starting to change business models and revolutionise how work gets done. Without a doubt, the era of AI is here. It provides much more than efficiency gains. It offers fundamentally new ways of creating value. AI's potential to improve business and public services is vast, and with careful planning and strategic implementation, it can be harnessed effectively.

West Africa's CEOs are cautiously optimistic about AI. While 60% believe generative AI can boost efficiency within a year, nearly half (49%) haven't implemented it yet. Despite this hesitancy, a majority (51%) acknowledge its potential to significantly transform value creation within three years.

If the general prediction is that AI will be a tipping point in industry growth, why are CEOs hesitant to integrate AI into their business process? 67% anticipate heightened cybersecurity risks from generative AI (GenAI) within a year, 51% also worry about its potential for misinformation.

Your next move: Embrace ethical and people-centric AI

As with any powerful tool, the key to successful adoption of AI lies in understanding its use, addressing the risks, and guiding its application ethically and responsibly. It's about using AI to create a more efficient, responsive and citizen-centric environment while ensuring privacy, fairness, transparency and accountability.

Sustainability

Globally, sustainability is gaining more recognition and CEOs in West Africa recognize that sustainable practices can drive long term resilience and business growth. However, when it comes to implementing these initiatives, the CEOs highlight difficulties like lack of demand from stakeholders (23%) and regulatory frameworks that may be at odds with sustainability objectives (18%).

Your next move: Look to nature-based climate solutions.

With climate change expected to impact the way companies create, deliver, and capture value in the short and long term, it is also a disruptor and catalyst for innovation. Business leaders who understand this reality will be best positioned to thrive. Proactive businesses will seize the initiative and not wait for stakeholders to demand ESG adoption. Embracing sustainability addresses environmental concerns, strengthens long-term business resilience, and fuels growth in a rapidly changing global market. Business leaders should explore opportunities for nature-positive business that strengthen financial returns and benefits society.

Positioning for change

CEOs recognise the impact of innovative actions on their business. 65% of West African CEOs have noted the significant impact of adopting new technologies on their businesses' ability to create, deliver, and capture value over the past five years. Additionally, 49% identified the development of innovative products and services as a key driver of value creation in their businesses.

Leveraging technology is crucial for business model reinvention. Strategic technology adoption goes beyond simply acquiring new tools or implementing digital transformation. It requires a shift in mindset and a commitment to building a culture of continuous learning and innovation.

Your next move: Leverage technology for business growth



There are several ways West African CEOs can leverage technology to position their companies for sustainable growth in the ever-evolving and competitive business landscape:

- Benchmark against tech CEOs investing to build their workforce, capitalising on new opportunities from generative AI, which is a sharp contrast to how their peers view it.
- Embrace scalable, cost-effective cloud infrastructure to ensure agility and enable remote work.
- Prioritise mobile wallets and digital payments to streamline transactions and expand customer reach.
- Partner with public entities through public-private partnerships (PPPs) to harness big data for smarter decision-making.
- Leverage AI and machine learning for automation, improved efficiency, and new product development, fostering innovation.
- As technology adoption increases, so will cybersecurity threats. CEOs must also prioritise robust cybersecurity measures to mitigate cyber risks.

Conclusion

This year's survey results reflect an awareness among CEOs that they are navigating critical strategic inflection points, and feel a sense of urgency and a bias towards action.

CEOs need a plan to communicate the urgency they are feeling, so that everyone understands and can potentially own part of the solution. People who are proficient at their current jobs may resist change because they're concerned they may not be good at what they'll be required to do in the future. So CEOs who are serious about reinvention must find approaches for acknowledging concerns, prizing curiosity and openness to learning, and encouraging managers to help people adapt.

Note: This article is an excerpt of PwC's 27th Annual CEO Survey, West Africa report accessible via our website <https://www.pwc.com/ng/en/publications/pwc-ceo-survey.html>

Contact Us



Olusegun Zaccheaus
Partner and West Africa Lead, Strategy&
olusegun.zaccheaus@pwc.com



Femi Osinubi
Partner and Advisory Leader, PwC Nigeria
femi.osinubi@pwc.com