

PNG CEO Survey 2016

Growing in complicated times ^{p4} / Addressing greater expectations ^{p8} / Transforming: technology, innovation and talent ^{p12} / Measuring and communicating success ^{p17} / Navigating complexity to exceed expectations ^{p19}

Redefining business success in a changing world

A Papua New Guinea Perspective



86%

of CEOs believe that the government's response to fiscal deficit is a threat to business growth

90%

of CEOs think that a skilled, educated and adaptable workforce is a top business priority

Introduction

How to lead in complicated times? That's the question all CEOs are seeking to answer at a time of prolonged and continuing uncertainty

For the past 19 years PwC has conducted a global annual CEO survey. Encompassing more than 1,400 company leaders across 83 countries, the survey is an insightful tool to gauge the views of global business leaders.

However, global averages and global trends can mask significant variances between regions. Indeed, one of the key findings in this year's survey is broad agreement from CEOs that the world is becoming increasingly complex. This complexity is driven in part by the fraying of the globalised world into a more multi polar reality. As such, it seems timely for us to present a PNG edition of this year's CEO Survey.

Overall, our PNG CEOs share the concerns of their global peers with respect to a lack of confidence in the prospects for the global economy. Not surprisingly, their own company's prospects for growth are also impacted. However, this seems to be a short term concern. There is a strong level of confidence that the coming three years will see a return to significant growth for businesses operating locally and there is widespread confidence that economic conditions will improve.

PNG CEOs also agree with the global notion that businesses need to be increasingly aware of their impact on wider society and that success in business in the 21st century will be about more than pure financial success. In many aspects, PNG CEOs have done more to recognise this than their global peers.

I'd like to thank the CEOs who have taken the time to share their insights with us. Their active and candid participation is the single greatest factor in the success of the survey.

Our CEOs represented PNG owned businesses (30%) as well as the local operations of multinational companies. We covered the State and private sectors, with 70% of our respondents representing privately owned businesses with the remainder being those that are government-owned. Of the privately owned businesses, 25% represented listed entities. We greatly appreciate our respondents' willingness to free up their valuable time to make this survey as comprehensive and accurate as possible.



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About this report

This report highlights the response of CEO's from PNG questioned as part of PwC's 19th Annual Global CEO Survey. In presenting the views of PNG's top CEOs we have modelled the responses to align them with the presentation of the global data. The aim is to be able to provide a snapshot of how and in which circumstances PNG's CEOs mirror the views of the global group and allow readers to also identify some of the key local trends and views.

Generally, our CEOs share similar insights as their global peers on many topics. Perhaps this is not surprising given the inter-connected nature of businesses and the impact of global economic trends on PNG's own economy. But there are clear indications of where the balance of local concerns differs from the global average. Key concerns such as the government response to deficits as well as exchange rate volatility are prime examples. However, digging a little deeper, PNG's CEOs also place more emphasis than their global peers on aspects such as the good health and wellbeing of the workforce and the impact of their operations on local communities and the general public.

As a result, this report can be read as a standalone presentation or for a more nuanced interpretation of the views of PNG's CEOs, then please consider this report in conjunction with the complete global version of PwC's 19th Annual CEO Survey.



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Growing in complicated times

That the global business environment is becoming more complicated seems to be an accepted global fact and PNG is no exception to this observation. The business environment is becoming increasingly challenging to read and adapt to.

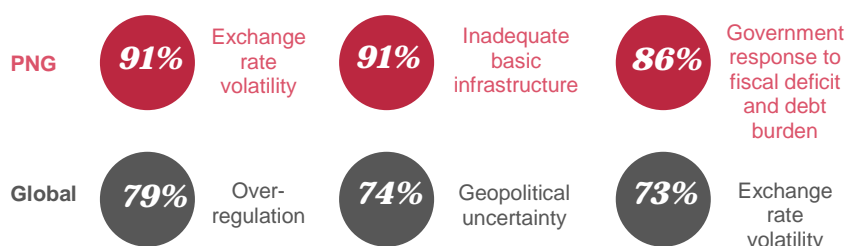
From a global perspective, the concerns of CEOs over the last few years were centred on the realisation that the impact of the global financial crisis was more far reaching than perhaps anticipated and that we were entering a new normal. In last year's global CEO Survey, regulation, taxes, debt and geopolitical uncertainty were the top concerns. This year's global results are similar – with the same range of risks being top concerns.

PNG had been somewhat sheltered from the highs and lows of the global financial crisis over the past years. However, with tumbling resource prices and the significant fall in GDP growth rates, our CEOs now have their share of concerns. Given the local economic environment, the top ranked concern was exchange rate volatility closely followed by concerns related to the government response to deficits and the country's debt burden.

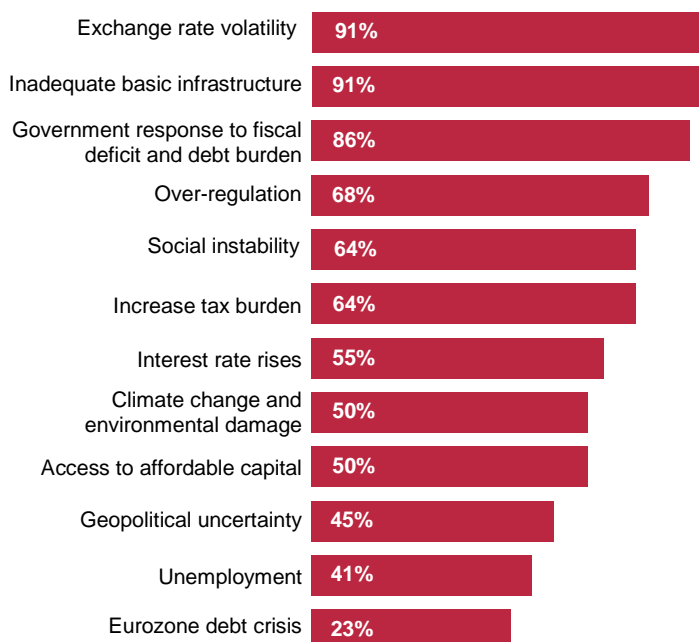
Figure 1 CEOs are getting more concerned about a wide range of risk

Q: How concerned are you about the following potential economic, policy, social and business threats to your organisation's growth prospect?

Top-three threats



Key Threats



Note: Respondents who answered somewhat or extremely concerned



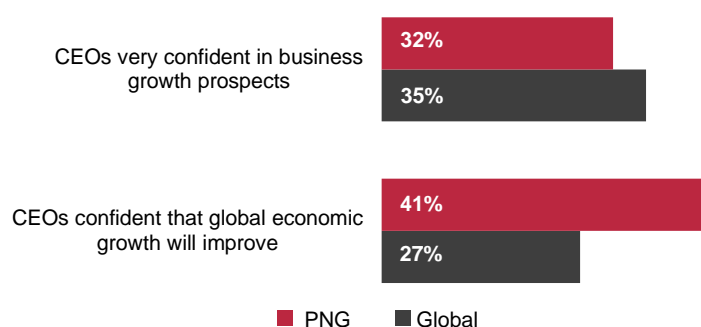
With the sheer number of risks and concerns identified by the CEOs it is not surprising that the overall sense of optimism for the global business environment is not as strong as it had been in previous years. PNG CEOs are more confident in global growth than their global peers, with 41% saying that they believe global growth will improve over the next 12 months (see Figure 2). Despite the higher than average level of confidence in global growth, PNG CEOs are less optimistic about the prospects for growth in PNG and of the prospects for their own business. Less than one third of CEOs are very confident in prospects for the growth of their own business in the coming 12 months. Local CEOs are also very confident of seeing better times ahead, with the proportion of CEOs being confident of growth for their companies over the next three years jumping to 68%.

There was a strong concentration of answers to the question of which countries would be the most important to overall growth prospects in the coming year. Perhaps not surprisingly, China and Australia were the most popular answers (see Figure 3). Globally, China was also one of the top influencers on growth prospects indicating how important to the global (and PNG) economy the future economic direction of China will be.

Figure 2 CEOs are less confident about business growth prospects in these uncertain times

Q: How confident are you about your company's prospects for revenue growth over the next 12 months?

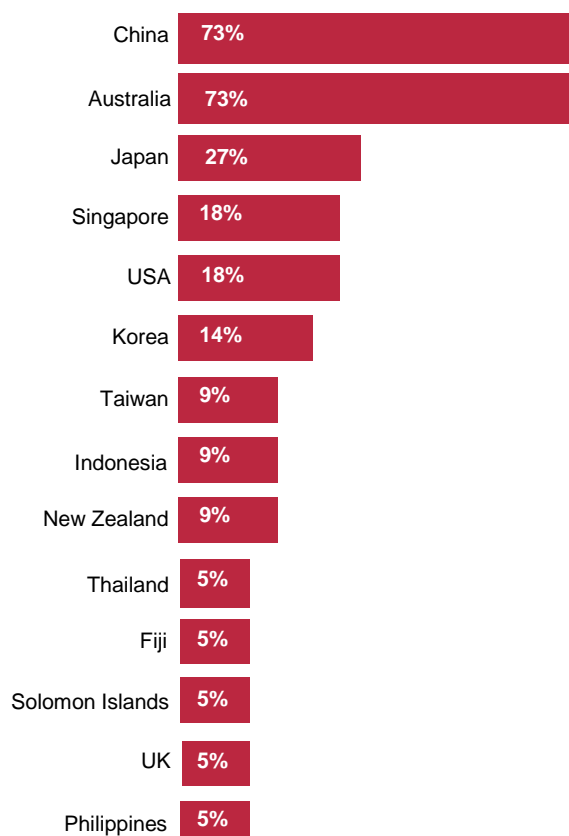
Q: Do you believe global economic growth will improve, stay the same or decline over the next 12 months?



Note: Respondents who answered somewhat or extremely concerned

Figure 3 CEOs continue to see investments opportunities across Asia and the Pacific

Q: Which three countries, excluding the country in which you are based, do you consider most important for your organisation's overall growth prospects over the next 12 months?



Moving beyond globalisation

Although China and Australia will be the countries that will be catching the attention of PNG CEOs, there are other global trends that add to the complexity of the business world. Our survey posed the question of whether there are more fundamental shifts taking place, namely from a globalising world to one with many dimensions of power, growth and threats – a transition that we call multi polar (see Figure 4). Our PNG CEOs, along with their global counterparts have already identified this trend and have anticipated this shift. The expectation is of multiple models and regional trading blocs as well as diverging systems of laws and liberties. PNG's regional initiatives and participation in a range of regional trade groupings no doubt support these views.

The greater devolution of power brings both threats and opportunities – in line with the growth of complexity.

The existence of this range of threats and opportunities means that globally, and in PNG, CEOs identify a range of answers to the question of whether there are more threats or opportunities than there were 3 years ago (see Figure 5). However, it appears that compared with their global peers, PNG CEOs are more likely to see threats coming to the forefront rather than opportunities from the increasingly multi polar world.

Figure 4 CEOs navigate in an increasingly complicated and multi-polar world

Q: For each alternative, please select the one that you believe the world is moving more towards

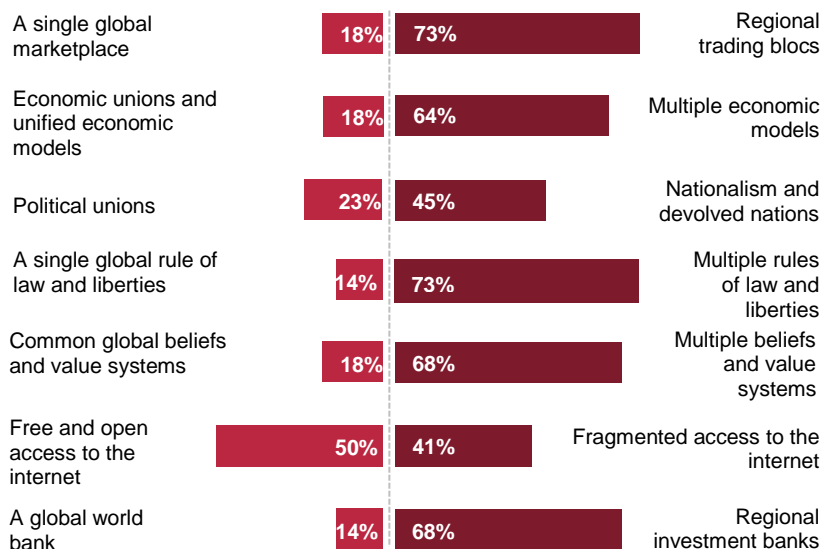
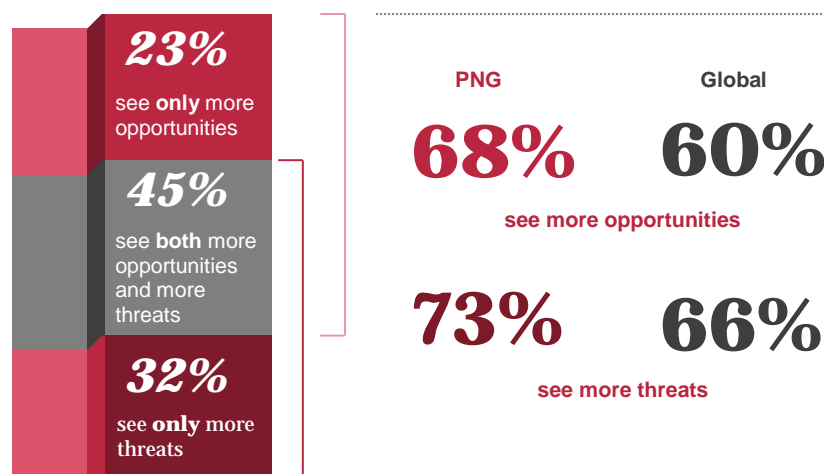


Figure 5 CEOs see more threats to their business today than three years ago

Q: To what extent do you agree/disagree that there are more growth opportunities/threats for you company than there were three years ago?





Steering a true course in an uncertain world

Our CEOs are required to look ahead and to run their businesses in an increasingly complex marketplace. To step up to this challenge, CEOs globally are focussing on three core capabilities. We present these three capabilities in more detail and compare how PNG's CEOs see themselves as developing these capabilities.

The first capability is based around addressing greater expectations. This is to recognise the multiple stakeholders that are part of the business environment and how CEOs should respond to having diverse groups of stakeholders showing an interest in their business. Many CEOs have responded by acknowledging that a wider sense of purpose is required for their business – looking to what they stand for, rather than just getting the job done.

The second capability is how to harness technology, talent and innovation to meet the wider expectations. The key focus here is on developing their workforce to meet future challenges.

The final capability that CEOs are looking to develop is a method of measuring and communicating success. This is increasingly using technology or innovation to measure and communicate internally, or to enhance their business processes – as well as to consider a response to a wider group of stakeholders.



Tough questions to ask about growing in complicated times

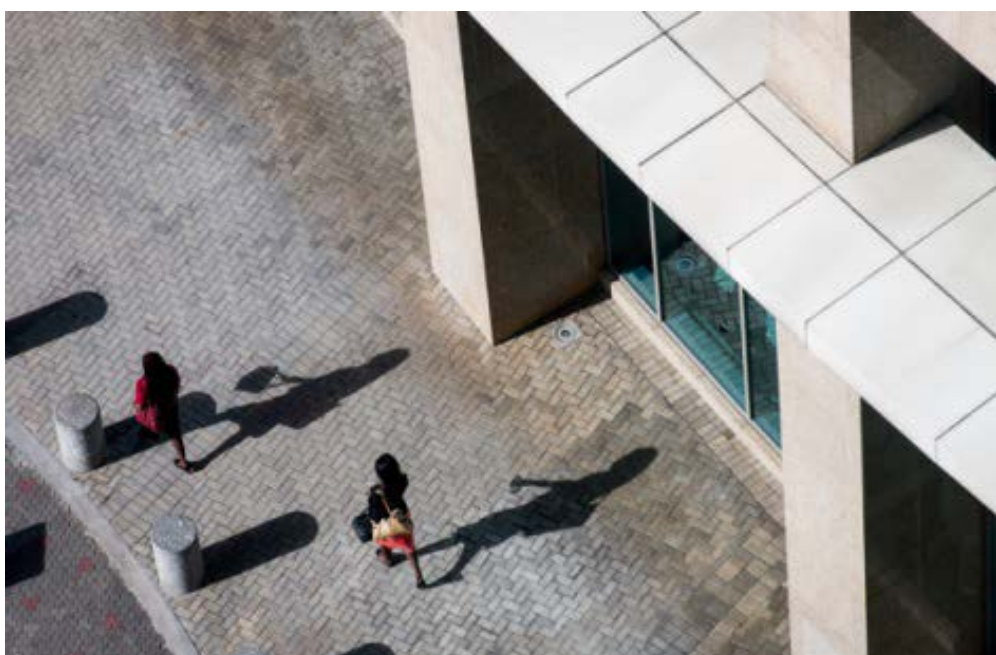
Have you adjusted your operational model to accommodate future potential increases to your cost of capital as interest rates rise and currency markets become more volatile?

Are you tracking the right risks around new political dynamics such as geopolitical uncertainty and cybersecurity as they replace concerns related to coping with the financial crisis?

What's your organisation doing to prepare itself to respond to and recover from crisis?

Do you have a strategy in place for a more divergent world where authority and influence are more widely distributed?

How are you preparing your organisation to face non-traditional competitors now and in the future?

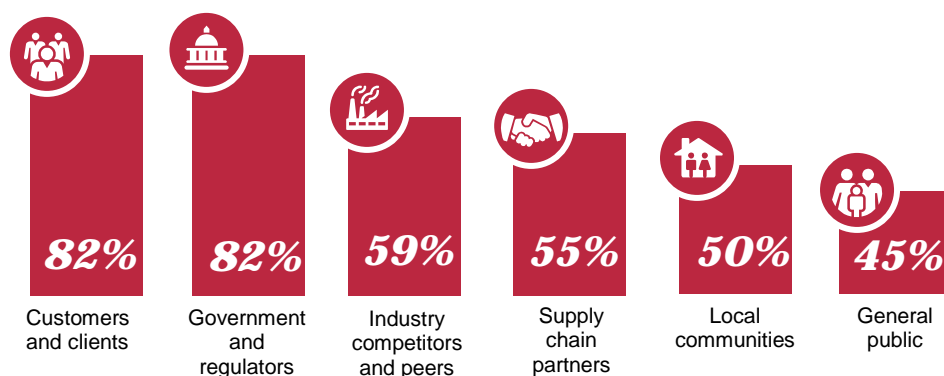


Addressing greater expectations

The survey addressed the issue of CEOs having to keep their eyes on a wide range of stakeholder groups that influence the strategy of an organisation. The top three answers to the question of which groups had the most significant impact on strategy were the same within PNG and across the globe. Customers and clients were the most influential group (see Figure 6). However, perhaps reflecting the relatively large influence of regulated sectors of economy in PNG (e.g. resources, telecoms, financial etc.), our local CEOs felt that government and regulators were equally influential. Within the top five places for PNG was the influence of local communities and the general public. Interestingly, these external groups were rated as having more influence on PNG businesses than employees and were rated as more influential than in a global perspective.

Figure 6 Customers and government are top priority for CEOs

Q: What impact do the following wider stakeholder groups have on your organisation's strategy?



Note: Respondents who indicated high or very high impact



So what do your stakeholders want?

The concern over the views of wider stakeholder groups is confirmed as a major driver for PNG business with 73% of respondents feeling that this is a current expectation on their business (see Figure 7). Other significant current influencers include an obligation to report on more than just financial matters, and corporate responsibility being key to everything the organisation does.

Not surprisingly, this creates the view that businesses in PNG need to continue to prioritise long term profitability over simply short term goals.

Over a five year horizon, the view of CEOs is that these business commitments would remain the same – although a significant number of CEOs believe that additional non-financial reporting will be required in the future.

These views are being partly shaped internally, by what companies believe they should be doing – but this is not occurring in a vacuum. Although only 14% (see Figure 7) of PNG CEOs believe that customers are seeking relationships with organisations that address wider stakeholder issues, this number doubles when CEOs consider the case in five years' time. In the future, it seems clear that CEOs believe customers will put a premium on the way companies conduct themselves in society.

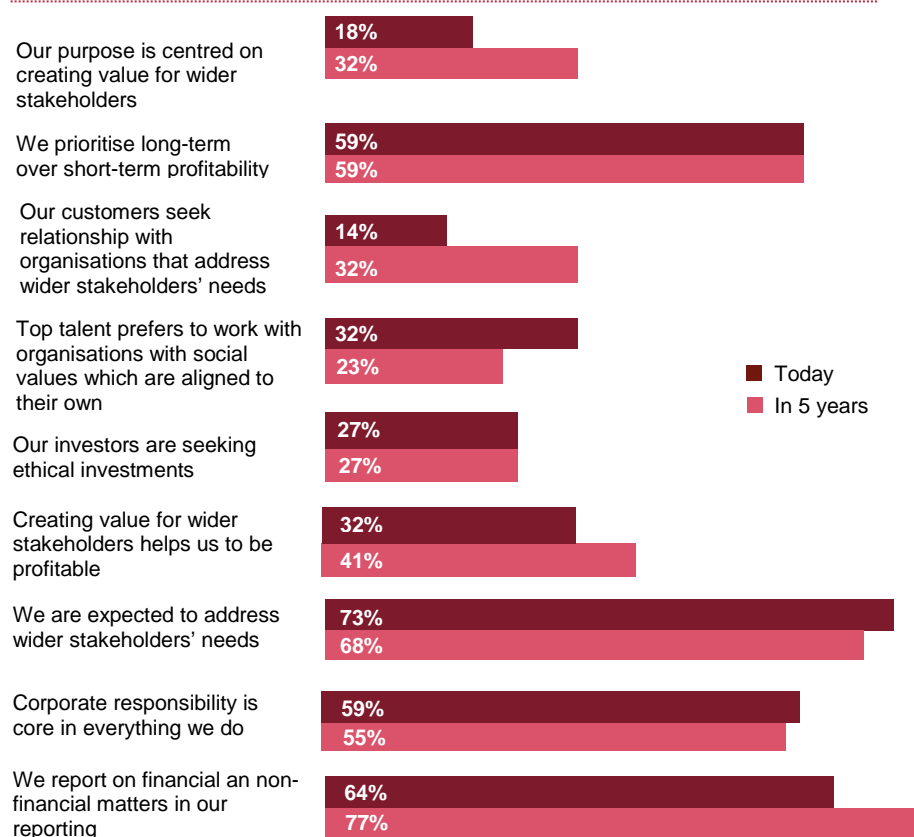
This response was even stronger in the global survey, perhaps indicating that PNG consumers have further to go on their journey of understanding their ability to influence business in a wider context.

On the talent front, the picture is also revealing. While globally, more than half the CEOs currently believe that an organisation's broader purpose is important to attracting and retaining top talent, with this number growing to 67% in five years, the picture in PNG is significantly different. For PNG CEOs, the broader vision and purpose of the company is much less important to attracting top talent – with less than one third of PNG CEOs believing that this is currently important or will indeed be important in five years' time.

Figure 7 CEOs believe that customers are seeking relationships with organisations that address wider stakeholder needs

Q: Thinking about the wider stakeholder expectations you see, which of these statements best describes your organisations today?

Q: Which of these statements best describes successful organisations in your sector in five years' time?



Is this the era of the good consumer?

Following a similar theme, it seems that PNG has some way to go until it mirrors the global score when it comes to businesses believing that investors are looking for ethical investments – with 27% of respondents stating that this is a consideration compared with one third now and reaching 45% for the global survey (see Figure 7). This is perhaps not surprising given the stage of development of the local economy and the narrow base of potential investors in the local community.

A central concern - the quest for trust

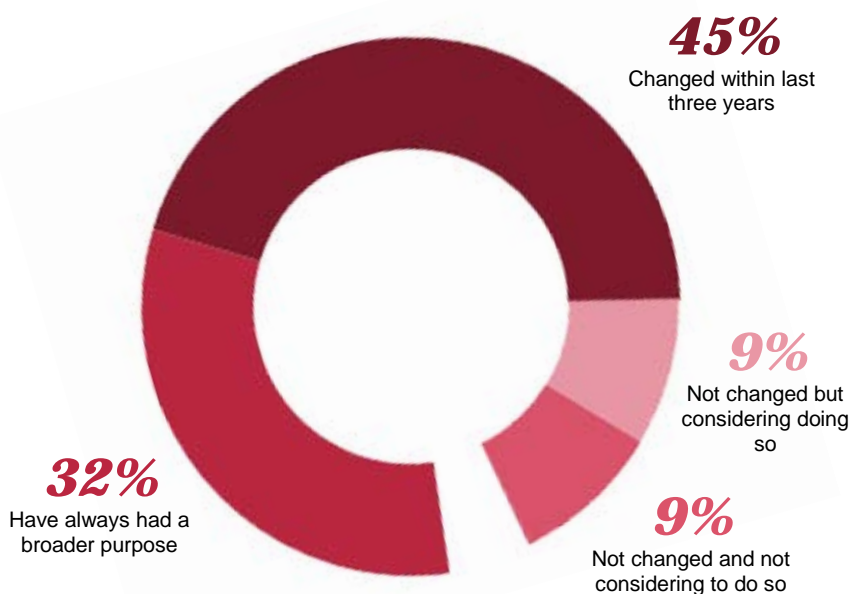
Although it is difficult to juggle customer expectations while delivering results year in year out, CEOs must also continue to prepare their businesses for the more complex challenges of tomorrow. One of the significant global concerns about continuing growth in a complex world is doing so while maintaining trust, in their company and brand. Globally 55% of CEOs are concerned about a lack of trust in business today. However, perhaps because PNG CEOs are more conscious of the wider stakeholder groups of local communities, this question of trust is less of an issue. Only 32% of CEOs were concerned about a lack of trust in business (see Figure 5).

What do you stand for?

Between the question of trust and the complexities of acknowledging and responding to wider stakeholder groups, business leaders will be forced to increasingly ask themselves what do they – and their businesses stand for? Globally, 24% of CEOs stated that their organisation's purpose had changed in the past three years to reflect broader stakeholder expectations. For PNG the result was a very substantial 45% (see Figure 8). Adding in those organisations who felt that they had always had a broader purpose, then in total 77% of all CEOs linked their organisation's purpose to a broad set of constituents in society.

Figure 8 A majority of leaders have an organisational purpose that reflects greater expectations of business

Q: In which of the following ways has your organisational purpose been impacted by wider stakeholder expectations?

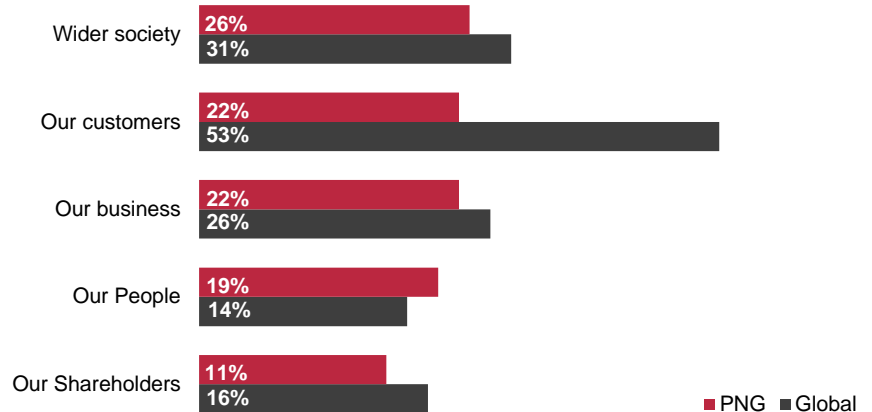


The strength of this response however, needs to be considered in the context of what CEOs mean by purpose. For some CEOs, it is about why their business exists, for others it is around what they aim to achieve, or how they do business. When asked to describe their corporate purpose, CEOs talked about value for one or more of a variety of stakeholders as well as their business itself in terms of aspects such as growth, productivity or costs.

For PNG, the strength of the connections with wider society again comes through, being the most highlighted purpose, even slightly above customers. This contrasts with the global results where fully 53% focussed on customers and 31% on wider society (see Figure 9). The connection to shareholders for PNG businesses in comparison is seen as much lighter.

Figure 9 CEOs describe their corporate purpose in terms of value for a variety of stakeholders

Q: In our own words, what is the purpose of your organisation today? To create value for...



Note: Respondents may have highlighted more than one dimension in response to this question.



Tough questions to ask about addressing greater expectations

Has your organisation undertaken scenario modelling or other initiatives to better understand how global trends like technological advances, demographic changes and global economic shifts are driving customer expectations today and tomorrow?

How are your CIO and CMO working together to make the best use of data analytics for a full picture of your customers now and into the future? How about your workforce?

As customers, employees and other stakeholders increasingly care about what companies stand for, how are you demonstrating your organisation's purpose and values?

How is your organisation building trust by better understanding stakeholders' views?

Transforming: technology, innovation and talent

Walking the talk

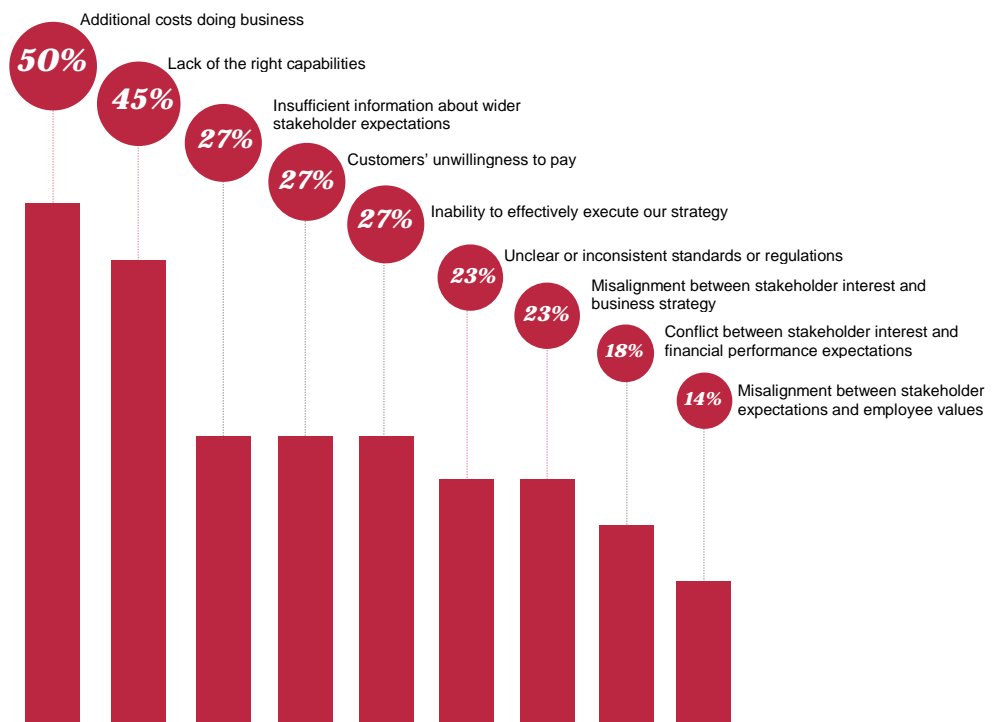
While CEOs globally and in PNG recognise the importance of defining their purpose in terms of wider groups of stakeholders and acknowledging their customers' expectations in this regard, the challenge is implementing this purpose into the everyday.

There are a number of barriers that CEOs say they are encountering when responding to changing expectations and their wider stakeholders. 50% of PNG CEOs responded that the additional costs of doing business was the greatest barrier, closely followed by the view that their organisations perhaps lacked the right capability to make the shift that the CEOs recognise is required (see Figure 10).

Customers' unwillingness to pay a premium to cover the additional costs was also seen as a significant problem. In these responses, PNG CEOs views principally echoed the global view – although the prominence of the response on a lack of capability within the organisation to implement change is a stronger local concern than global one.

Figure 10 CEOs are facing a number of barriers to execution when responding to changing customer and stakeholder expectations

Q: Which of the following barriers, if any, is your organisation encountering when responding to wider stakeholder expectations?



Note: Respondents may have highlighted more than one dimension in response to this question.

A chance to put technology to work

When faced with the question of what CEOs are changing in order to transform their relationships with customers and other stakeholders, PNG CEOs are broadly aligned with their global counterparts.

However, there are two key aspects in which the priority areas for action differ.

The first of these is technology. More than 50% of CEOs globally believe that technology will be the best way to assess and deliver on changing customer expectations.

In an increasingly connected modern world, this is perhaps understandable. However, for PNG CEOs, technology is mid ranking response with only 23% of CEOs making significant changes in this area (see Figure 11).

Beyond technology, a similar focus is seen on managing brand marketing and communications as well as managing risks generally.

The other high ranking response for PNG CEOs involves significant changes in workforce rights and wellbeing. This concern by CEOs over workforce wellbeing is echoed throughout the survey responses and it is perhaps one of the most interesting ways in which PNG stands out from the global responses.

Figure 11 Brand and risk management and workforce wellbeing are the top areas in which CEOs are making significant changes to respond to stakeholder expectations

Q: To what extent are you making changes in the following areas in response to changing stakeholder expectations?

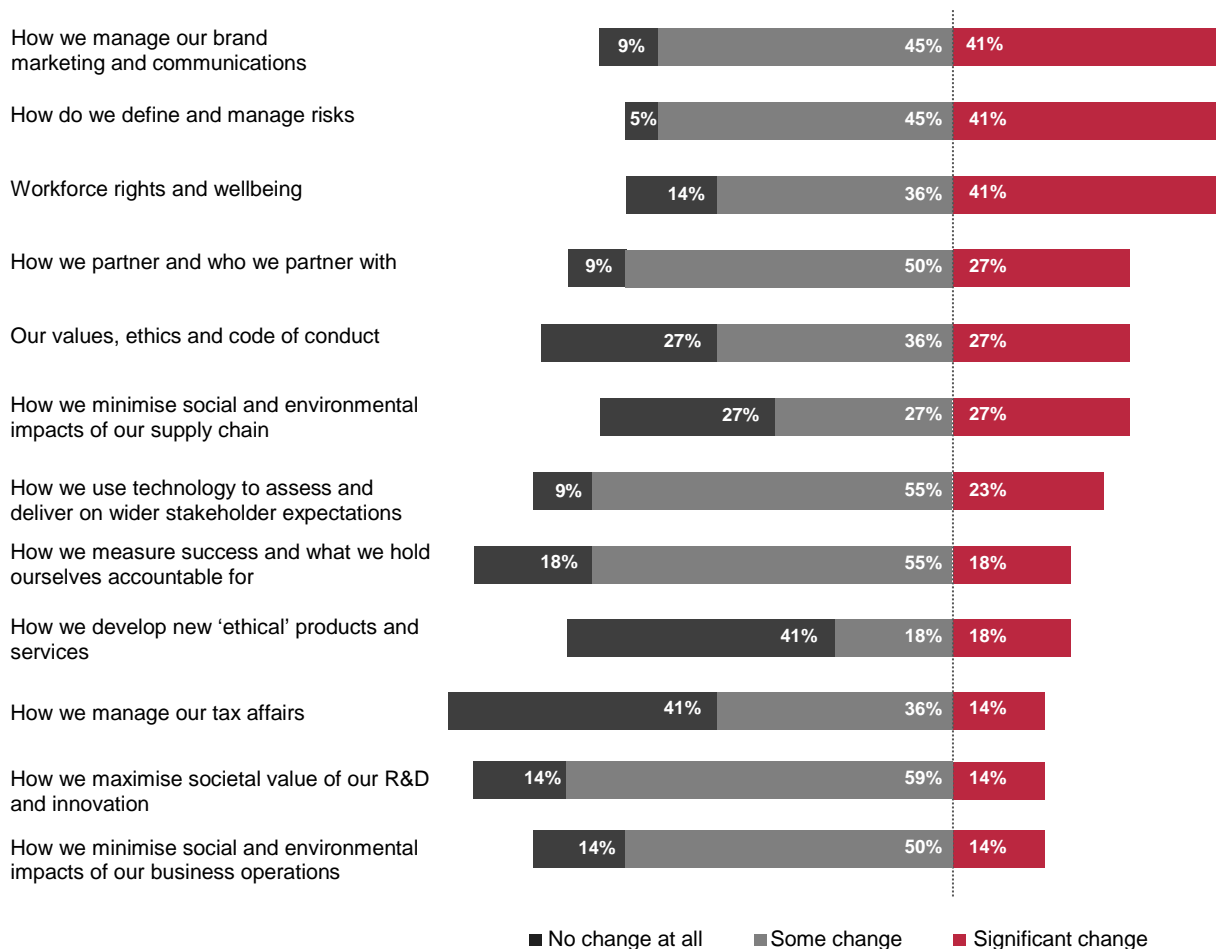
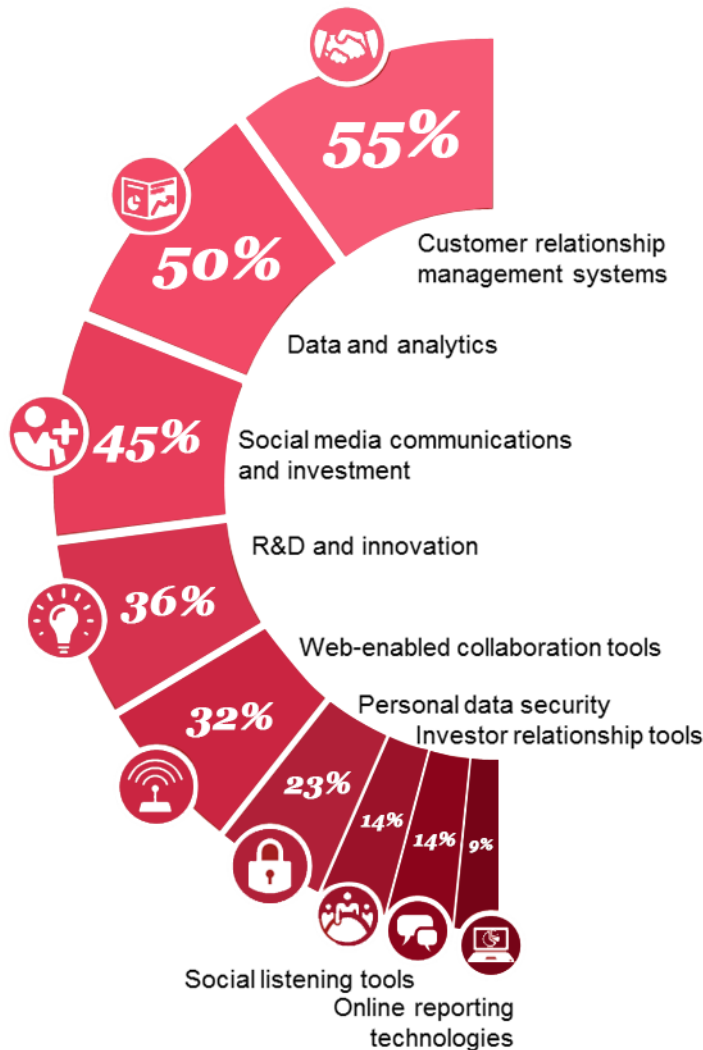


Figure 12 Most CEOs see data and analytics technologies as generating the greatest return for stakeholder engagement

Q: Select the connecting technologies you think generate the greatest return in terms of engagement with wider stakeholders



Nevertheless, when PNG CEOs were asked to consider which connecting technologies would be most beneficial in terms of generating engagement with wider stakeholders, use of customer relationship management (CRM) systems was the top response, followed by data and analytics (see Figure 12).

Nearly half of respondents (45%) also saw social media as a key tool for engaging with stakeholder groups.

The innovation edge

Globally, more than half of respondents believed that innovation would generate the greatest return when it comes to successful stakeholder management.

However, innovation led growth and developing a business by harnessing innovation are notoriously difficult. Globally, this probably explains the difference between the numbers of respondents that see the opportunity for a return on innovation (53%) against the fewer who are making significant changes to R&D as part of their responses.

For PNG, it seems that our CEOs are either more realistic in their expectations with only 36% seeing R&D and innovation as providing a return when measuring engagement with wider stakeholders, or alternatively, they are yet to embrace the potential for innovation to generate greater engagement for their businesses (see Figure 12).



The people edge

People are critical for just about any business, and this remains so even with rapid technological change or with the increasing complexity of the environment in which businesses operate. CEOs everywhere are therefore particularly concerned with the availability of key skills. In PNG this was a concern of over 90% of respondents. This is such a vital factor that CEOs see it as a priority for both business and the government – together.

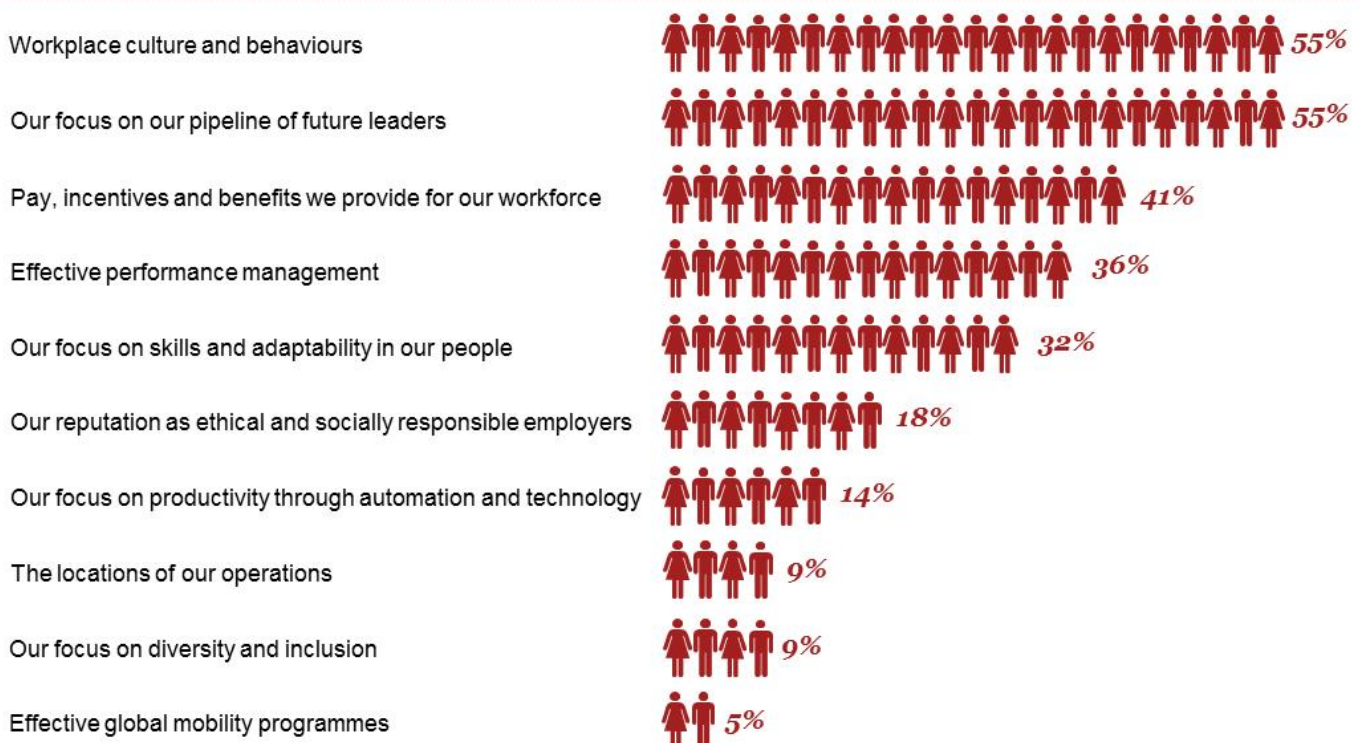
So what are CEOs doing to develop the workforce they need for today and tomorrow? More than half of PNG CEOs are making changes to how they develop their leadership pipeline and addressing workplace culture and behaviours (see Figure 13).

Focus on a leadership pipeline will help ensure that future leaders present consistent messages to wider employees and visibility of the programs also helps with the tone from the top. However, only 32% of CEOs are making changes to focus on skills and adaptability of their people. It seems also that the use of technology as a tool to enhance people performance is also not a priority – with only 14% seeking productivity enhancements through the use of automation and technology.

While workplace culture and behaviours are a top focus, it is less clear what sorts of strategies are being pursued to instigate changes in this environment. Diversity and inclusion programs are undergoing changes in less than 10% of PNG businesses surveyed.

Figure 13 CEOs are most likely to change their talent strategy to focus on their workplace culture and leadership pipeline

Q: To what extent are you making changes in the following areas in response to changing stakeholder expectations?



Why government and business need to work together

Given that 82% of respondents felt that the government and regulators are key influencers on business, getting the right balance of priorities as well as an understanding of each other's role seems to be critical for the development of PNG's companies (see Figure 14).

Globally, over regulation was seen as the biggest threat to the growth of organisations, and in PNG 68% of respondents also felt over regulation was a threat (see Figure 1).

However, within this context, PNG businesses still strongly believe the government has a role in facilitating conditions for the development of a business. These two dimensions are also a clear message in the global results.

According to PNG CEOs, the top government priority for business is clear. A skilled educated and adaptable workforce is seen as a stand out goal for government in the eyes of business with over 90% of respondents marking this as a priority (see Figure 14). This is followed by a cluster of priorities being physical and digital infrastructure, high levels of employment and good health and wellbeing of the workforce.

But it also appears that business believes that they are in this together with government – as these four priorities are also the top scores in those that are the responsibility for business to develop. Having a high degree of alignment should make these goals easier to achieve.

Figure 14 CEOs say that creating a skilled, educated and adaptable workforce should be a priority for both business and government

Q: Which three of these outcomes should be government/business priorities in the country in which you are based?



Tough questions to ask about transforming: technology, innovation and talent

How are you ensuring that you're investing in the right technologies to enable open engagement with your customers and wider stakeholder groups?

Have you identified the right capabilities to support you from strategy to execution?

Is your innovation geared towards generating offerings that meet big societal needs and generate good long-term ROI?

What are you doing to enable your people to work towards better meeting new and wider stakeholder expectations?

How are you working with government to create better outcomes for customers and employees?

Measuring and communicating success

A new mind set for measurement

In a complex and rapidly changing world, we were interested in understanding which areas CEOs want to better measure and which areas they want to better communicate to the multiple stakeholders who interact with their organisations.

Communicating impact

We found that the key areas PNG CEOs want to better communicate are emotional, 'softer' issues around values and purpose. The two principal of these are organisational purpose and values and impact on wider communities.

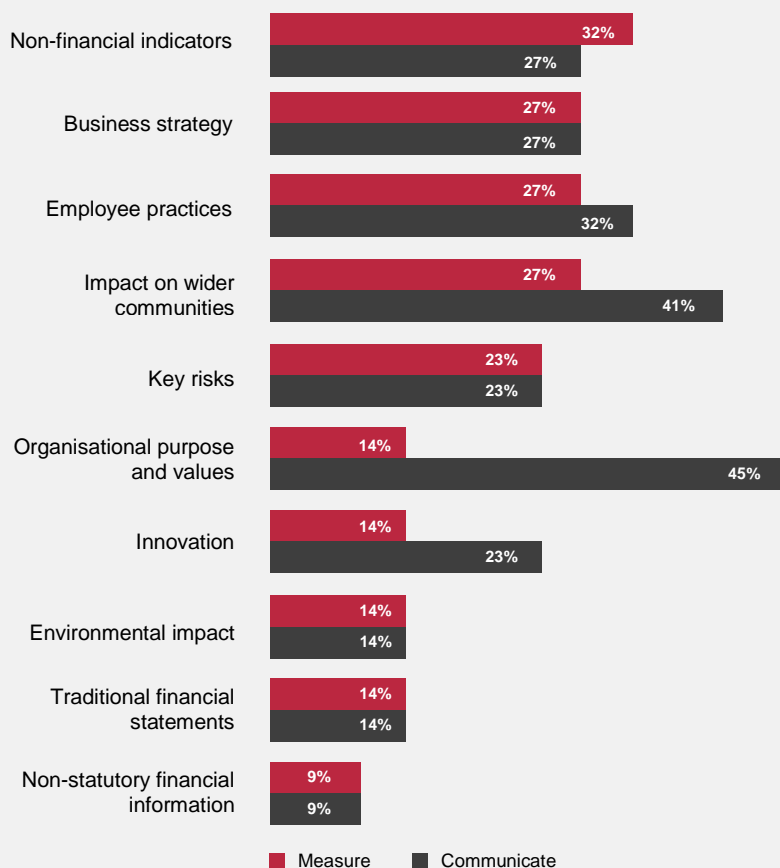
This is consistent with the continuing theme of how importantly PNG businesses see their engagement with the wider community and the fact that these broadest of stakeholder groups are influential on business strategy. It is perhaps not surprising that with 45% of CEOs having described that their organisations broader purpose having changed in the past three years that the same percentage of CEOs would like to better communicate this fact (see Figure 8). Communication around the organisations' impact and value on wider communities is also a priority for 41% of our CEOs (see Figure 15).

Globally, the need to communicate an organisation's wider purpose also came out on top, although it was closely followed by a desire to better communicate an organisation's business strategy (54%), however, this was a concern for only 27% of PNG CEOs.

When it comes to which areas CEOs want to better measure, the global results tend to diverge from the PNG data. Globally, CEOs would like to improve measurement of the areas traditionally seen as 'harder' drivers of business success like innovation and risks. These two responses both achieved

Figure 15 CEOs are seeking to better communicate 'softer' issues and to better measure 'harder' drivers of business success

Q: To which of the following areas do you think business should be doing more to measure/communicate impact and value for wider stakeholders?



acknowledgement from over half of the global CEO respondents. By contrast, PNG CEOs seem less focused on better measurement in general. The top response for PNG was a desire of 32% of respondents to better measure non-financial indicators (see Figure 15).

Ultimately the CEO must deal with matters of the head and the heart, the rational and the emotional. Our research suggests that there is much room to improve on both the assessment and communication of key business areas, including of course, core financial data.

Can everything be confidently measured?

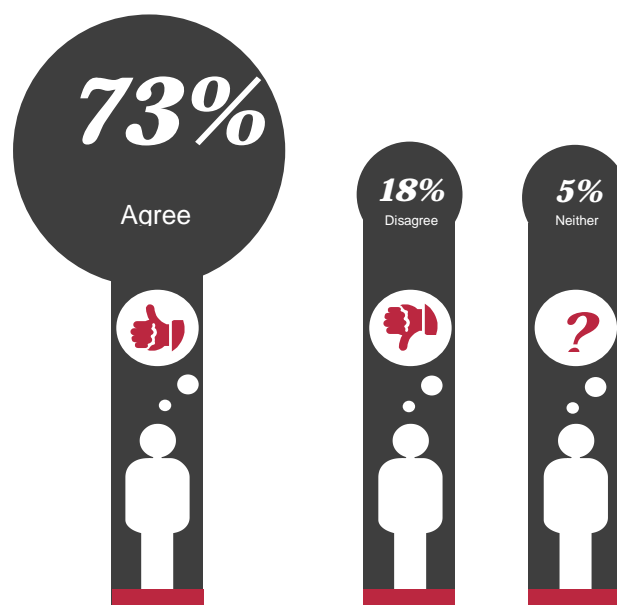
64% of PNG CEOs say that their organisations currently report on non-financial data and 77% believe that this will be required in five years' time (see Figure 7). And 73% of our CEOs believe that business success will be defined by more than just financial profit (see Figure 15).

These are very strong indications of the direction for PNG business – and they also reflect the global results. Given this broad background view – it is not surprising that 32% of PNG CEOs are seeking ways of better measuring non-financial indicators (see Figure 15).

Nevertheless, this also indicates considerable challenges in identifying and agreeing ways for robust methodologies to measure indirect indicators of value.

Figure 16 A majority of CEOs agree that business success will be defined by more than financial profit

Q: To what extent do you agree that business success in the 21st century will be redefined by more than financial profit?



Tough questions to ask about measuring and communicating success

Have you worked out what's important to measure in your organisation to reflect what you're in business to achieve?

Is your reporting team at ease with navigating the complex multiple standards around the world for wider non-financial reporting requirements?

How are you measuring the impacts (both positive and negative) of organisational culture and behaviours?

How is your organisation making sure that it's measuring the right things in the right way in order to use data about non-financial impacts in decision-making?

How are you ensuring that your business is communicating the information your customers and other stakeholders want?

Are there valuable intangibles that you haven't found a way to measure yet, which you think you should measure? And are there things that you think shouldn't be measured at all?

Navigating complexity to exceed expectations

Linking strategy to execution

The findings for this year's survey point to the fact that globally, CEOs are recognising that business is increasingly facing a multi polar world, in which it is important to recognise and react to changing values and expectations of a business by their wider stakeholders.

Recognising, embracing and aligning organisational purpose is seen by CEOs as a mechanism for enhancing organisation value. Leadership and the tone for the top is important, but it will also require a rethink on integrating strategy through execution as a way of defining a business proposition and delivering value.

CEOs are on the frontline in the battle to recognise the power of different stakeholder groups and react to their influences while trying to satisfy their own business needs.

In this regard, the challenge for the PNG CEO is no different and in many ways they are further along the journey of recognising the role of wider stakeholder groups than the global peer group.

Nevertheless, the PNG CEO is also facing the challenges of executing this type of strategy. More needs to be done to harness the potential of technology to understand what needs to be done, to facilitate change and measure it's impact.

PNG CEOs are hungry for a more educated, agile and adaptable workforce and have particular concerns about the overall health and wellbeing of their employees, but perhaps not enough is being done to develop the skills and implement change in the workforce. Importantly, there is a high level of correlation between the priorities of business and what is seen to be a priority for government in facilitating the business environment which should more easily facilitate a dialogue between business representatives and government about the development of the business climate.



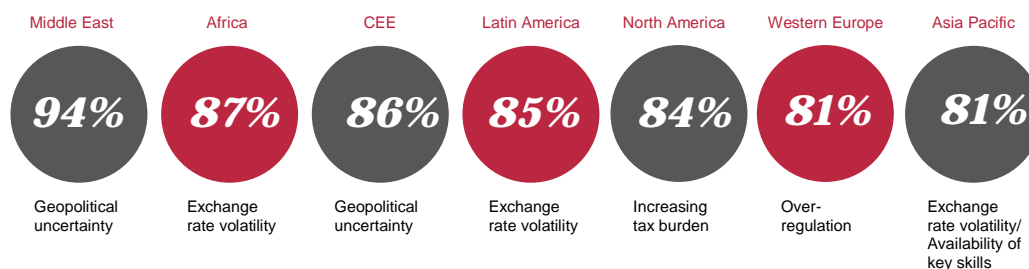
Looking for more data?

Global currents, local challenges

Over-regulation is the top concern for CEOs in Western Europe (cited by 81%), while their North American peers are most worried about an increasing tax burden (84%). Exchange rate volatility, meanwhile, is the focal point for business leaders in Africa (87%), Latin America (85%) and Asia Pacific (81%). It's geopolitical uncertainty, however, that not surprisingly keeps CEOs awake in the Middle East (94%) and Central and Eastern Europe (86%).

Figure A Top concerns by region

Q: How concerned are you about the following potential economic, policy, social and business threats to your organisation's growth prospects?



Note: respondents who answered somewhat concerned or extremely concerned

Figure B Demographics and climate change are seen as the global trend most likely to transform wider expectations of business

Q: Please rank the top three global trends which you believe will be most likely to transform wider stakeholder expectations of businesses within your sector over the next five years.

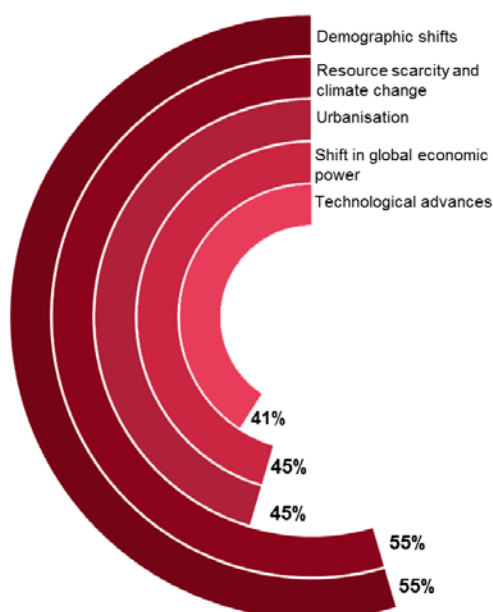


Figure C A skilled workforce was the most important societal outcome cited most frequently by CEOs

Q: To which of the following areas do you think business should be doing more to measure/communicate impact and value for wider stakeholders?

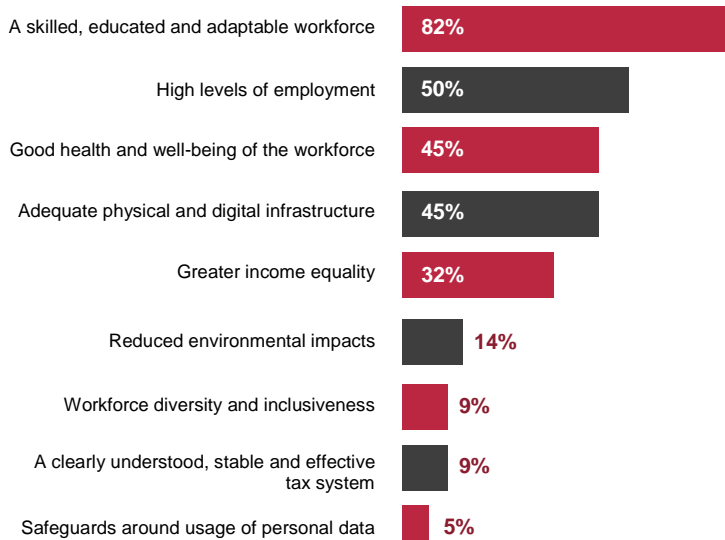


Figure D More than half of CEOs expect to increase headcount over the next 12 months

Q: Do you expect headcount at your company to increase, decrease or stay the same over the next 12 months?

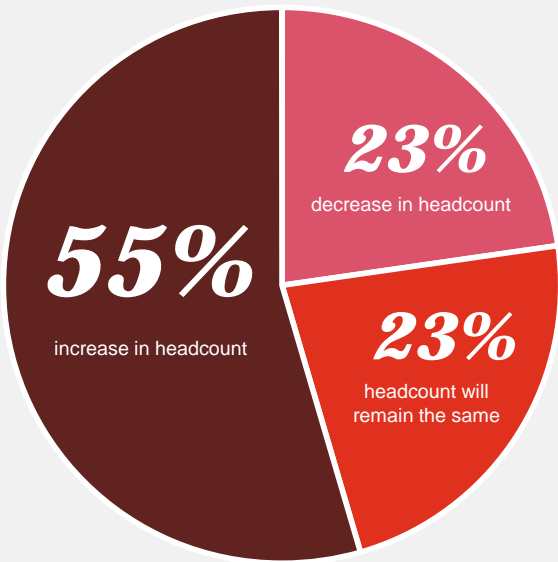
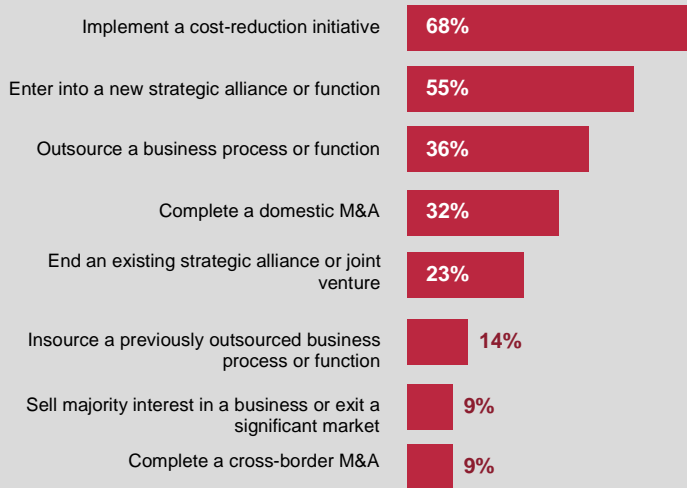


Figure E The top two planned restructuring activities are cost-reduction initiatives and establishing new alliances

Q: Which, if any, of the following restructuring activities do you plan to initiate in the coming 12 months?



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