

**19th Annual Global CEO survey**

*There's no new normal<sup>p4</sup> / Providing meaning in a complex world<sup>p8</sup> / Values: A magnet for talent<sup>p10</sup> /  
Taking control of the skills pipeline<sup>p12</sup> / Struggling with execution<sup>p14</sup> / Getting talent strategy right<sup>p16</sup>*

# **People and purpose**

## **Talent strategy in an unpredictable world**



**72%**

of CEOs said availability of key skills was a major worry.

**75%**

of CEOs are making changes to values, ethics and codes of conduct in response to wider stakeholder expectations.

**76%**

of CEOs think business success in the 21st century will be measured by much more than just financial results.

PwC's Global People and Organisation practice brings together an unmatched combination of 10,000 people with industry, business, talent, strategy, HR, analytics and technology expertise in one team across 138 countries. Together, we build tailored people and organisation solutions with a deep understanding of our clients' uniqueness, grounded in rigorous analysis and data-driven insight, to create lasting, differentiated value.

We help clients to implement organisational transformation, improve the effectiveness of their workforce, develop and move talent around their business, and manage their human capital risks. We work from people strategy through to organisational execution.



## Doing the right thing

CEOs around the world have been waiting for things to return to ‘normal’ since 2008. Our 19th Annual Global CEO Survey tells us that their wait is over; not because the global business environment has snapped back into shape, but because CEOs no longer expect it to.

CEOs everywhere see more potential threats to their business than ever before. Growth is harder than ever to find and they must operate in a world that is nominally more globalised: brought together by the internet but, in reality, fractured and divergent. Geopolitical strife, unpredictable economic growth, digital disruption and rapidly developing megatrends make the world a very unpredictable place.

Last year’s survey highlighted the digital revolution and its fundamental transformation of business. In particular, it showed the pressing need for a people strategy that delivers not only the skills that organisations need, but the culture of innovation, creativity and adaptability that’s so critical for success in the digital age. Getting people strategy right has become the most difficult but critical challenge for CEOs – but this year’s survey has uncovered another obstacle.

When we’re surrounded by uncertainty we look for stability. Led by the Millennial generation, people want to support and work for organisations they can trust, with values that mirror their own. Consumers and customers are looking for more responsible and ethical goods, services, brands, companies and employers – and CEOs are looking to provide it. The stakes are high; societal expectations of today will become the regulations of the future. Any organisation that fails to deliver what stakeholders are looking for will suffer.

Corporate purpose is the new mantra; societal value the benchmark.

CEOs must navigate an extraordinarily complicated path. They must prepare their organisation for a future where anything seems possible and make sure it’s agile enough to adapt at speed. They must make sure that they have the people they’ll need for a future they can’t predict, in a workplace where employees, contingent workers and automation sit side by side. CEOs know it’s imperative that they get talent strategy right; but while they have excellent strategic intentions, they’re struggling when it comes to execution.

The demands on business leaders have reached new heights. It’s no longer enough to steer their business through the most complicated economic environment in living memory – they must also meet the changing expectations of current and future employees and other stakeholders. But they’re rising to the challenge. In a disrupted, digital, divergent world, CEOs want to do the right thing.

## Main findings



### **There's no new normal.**

CEOs are less optimistic about the future for their business. 66% see more threats to their business than there were three years ago and only a third are confident of seeing revenue growth in the coming year. 72% are concerned about the availability of key skills.



### **Digitising and disrupted.**

Technological advancement is seen as the most disruptive of the megatrends, profoundly affecting the way organisations are organised and run. 77% of CEOs say it's behind a fundamental shift in their stakeholders' expectations.



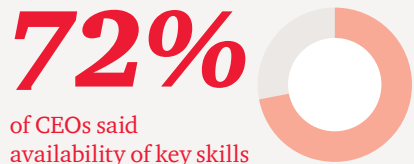
### **The world is more divided.**

Rather than globalisation bringing us together, business leaders see increased fragmentation and division. 83% believe the world is moving towards multiple beliefs and value systems. It's getting no easier to run a global business.



### **Corporate purpose is the anchor.**

Changing societal expectations are leading many organisations to redefine their corporate purpose to include their broader impact. 69% of CEOs say their organisation's purpose is focused on societal value – 24% changed their purpose in the last three years to make it so.



of CEOs said availability of key skills was a concern.



of CEOs name technology as one of the top three trends transforming stakeholder expectations.



of CEOs say the world is moving to multiple beliefs and value systems.



of organisations have a purpose focused on societal value.



### **Corporate values matter.**

67% of CEOs think that in five years, talent will prefer to work for organisations with social values that match their own and are making changes to their talent strategy accordingly. Their focus is on creating a pipeline of leaders for tomorrow (49%), on culture and behaviours (41%) and on performance management (38%).

# 67%

predict talent will focus more on corporate value than pay in five years' time.

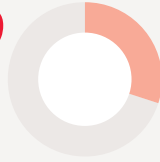


### **Let down by execution?**

CEOs are struggling to translate their intentions into tangible steps. 72% worry about availability of key skills, for example, but just 30% are focused on upgrading the skills and adaptability of their people. Implementation is even more difficult when the goal – such as corporate purpose – is less tangible.

# 30%

of CEOs see upgrading people skills and adaptability as a key priority.



### **Taking control of the skills pipeline.**

Business leaders have little confidence that their government will provide the skills they need in the future – only 26% feel their government has been effective in creating a skilled workforce – so they're taking up the task themselves. 75% of CEOs agreed that creating a skilled workforce should be a business priority.

# 75%

of CEOs think creating skilled workers is a business priority.

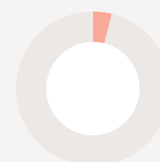


### **Predictive analytics should matter.**

Despite CEOs agreeing that technology is important in responding to stakeholder expectations, only 4% of CEOs name predictive people analytics as a priority in their talent strategy. HR needs to be smarter in the ways they predict the benefits of talent investment and link it to top and bottom line metrics.

# 4%

of CEOs say they're prioritising predictive analytics in their talent strategy.



## There's no new normal

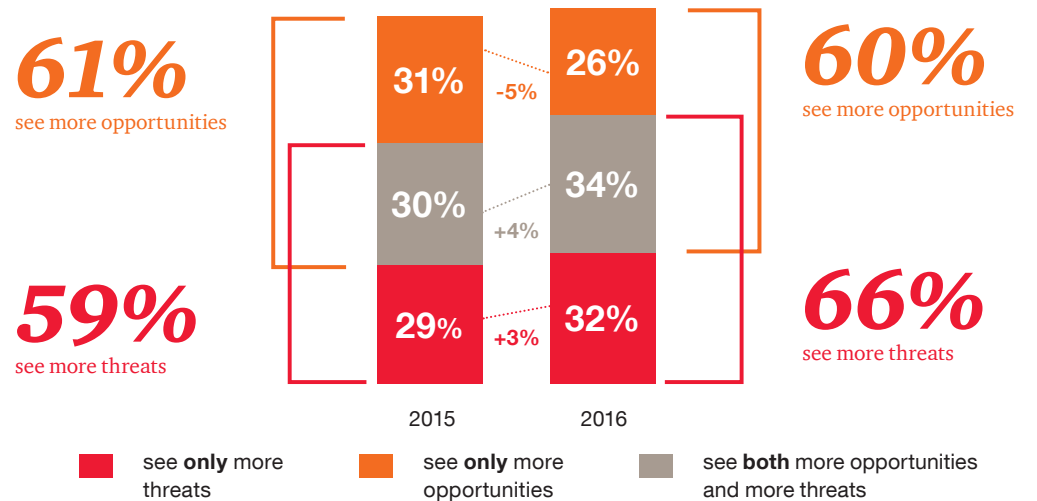
### Complicated times

CEOs across the world are facing a business environment that's becoming more complicated every year. Eight years on from the financial crisis, any hope of a 'new normal' is fading; CEOs are facing up to a world that's defined by instability, uncertainty and disruption.

CEOs are finding it increasingly difficult to judge where growth will come from – emerging economies are slowing and growth in many developed countries is dependent on extreme monetary policies that will inevitably end. Overall, CEOs are less optimistic about the future; just 27% expect global growth to improve over the next 12 months, compared to 37% in 2015. Short-term confidence among CEOs based in North America, Latin America and the Middle East shows the most dramatic decline.

Figure 1: 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 your company than there were three years ago?



*“A different world is coming. I am no expert in IT, but technology forces us to rethink many of our businesses.”*

Luis Pagani, Presidente, Grupo Arcor, Argentina

**Disrupted**

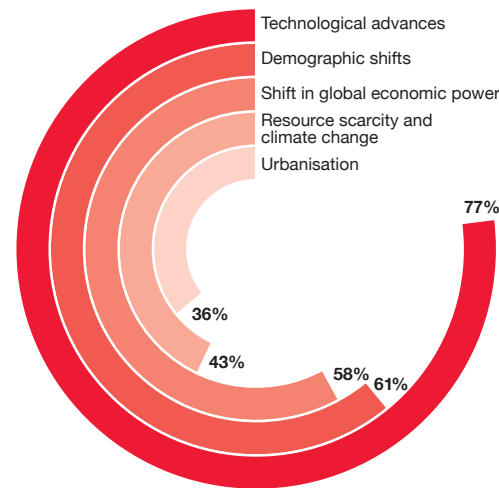
CEOs continue to grapple with geopolitical and economic instability and the impact of megatrends. Technological change is seen as the most transformative trend, and 77% of CEOs say it's one of the top three trends behind a fundamental shift in their stakeholders' expectations. Technology has changed the way we live, consume and work; it has created new, innovative business models, shone light on every shadow and blurred the lines between sectors and between work and play.

CEOs see opportunities ahead but are also painfully aware that they'll pay a high price for getting it wrong. Two-thirds (66%) of CEO see more threats to the growth of their company, compared with 59% in 2015, while 60% see more opportunities.

The availability of vital skills remains one of their top five threats. Almost three-quarters of CEOs are concerned about where they'll find the skills their organisations need.

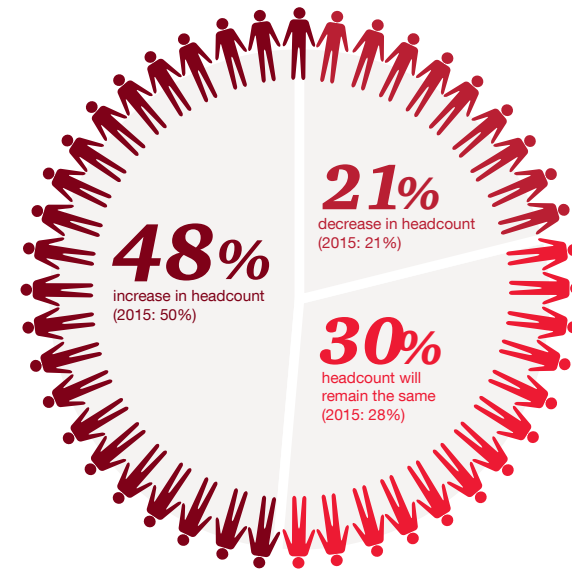
**Figure 2: Technological advances are seen as the global trend most likely to transform wider expectations of business**

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



**Figure 3: Nearly 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?



**“...one of our important challenges is to attract and retain top talent with superior problem-solving capability and the ability to embrace a rapidly evolving multi-cultural operating environment.”**

André Calantzopoulos, Chief Executive Officer, Philip Morris International, Inc., Switzerland

**“Even with all the new technology, people skills are actually more important now. Whether it’s providing day-to-day services in our bank branches or managing our data analytics: it’s all about people. So the risk is, can we hire, retain, and develop the top talent and, frankly, will they be happy working here?”**

Brian Moynihan, Chief Executive Officer, Bank of America Corporation, US

The impact of technology on the workplace is adding a new dimension to the race for the talent. Already, entirely new worker ecosystems are developing – a heady mix of automation, employees and contingent workers. ‘Work’ requires an additional classification: digitally, remotely, flexibly.

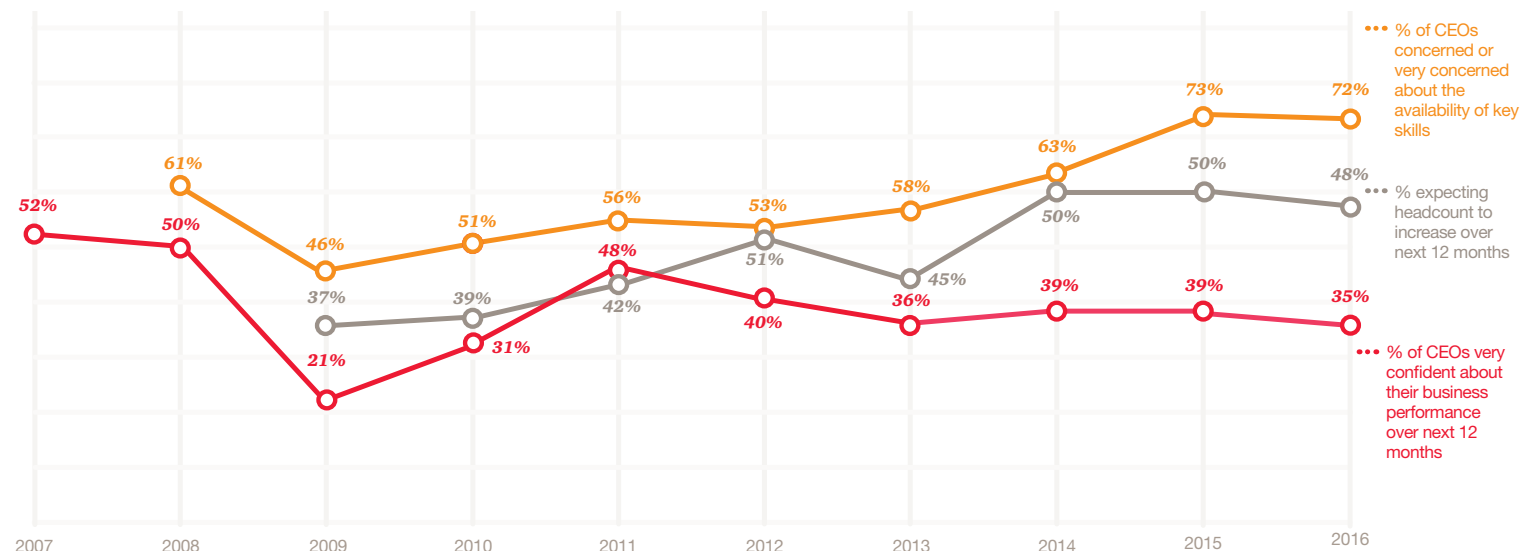
Managing people in such a complex world is intensely difficult but the more immediate problem for CEOs is that the skills their business will need five or ten years from now are becoming impossible to predict.

The World Economic Forum’s recent report *The Future of Jobs*<sup>1</sup> makes the point that changes to the business model in reaction to technological change almost immediately impact the skills that businesses need. Chief HR Officers surveyed for the report believe that, by 2020, more than a third of the desired core skills of most occupations will be made up of skills that aren’t considered crucial to the job today.

Business leaders must find a way to get the most out of their people in this complicated, constantly shifting world – nurturing adaptability, reskilling when they need to, finding untapped sources of talent and encouraging innovation.

Competitive advantage lies in using and managing people well – and CEOs are starting to believe that that begins with binding a disparate group of workers together in a common cause.

**Figure 4: A gradual dip in confidence over growth prospects and rise in concerns over the availability of key skills**



<sup>1</sup>WEF: *The Future of Jobs* <http://www.weforum.org/reports/the-future-of-jobs> (January 2016)

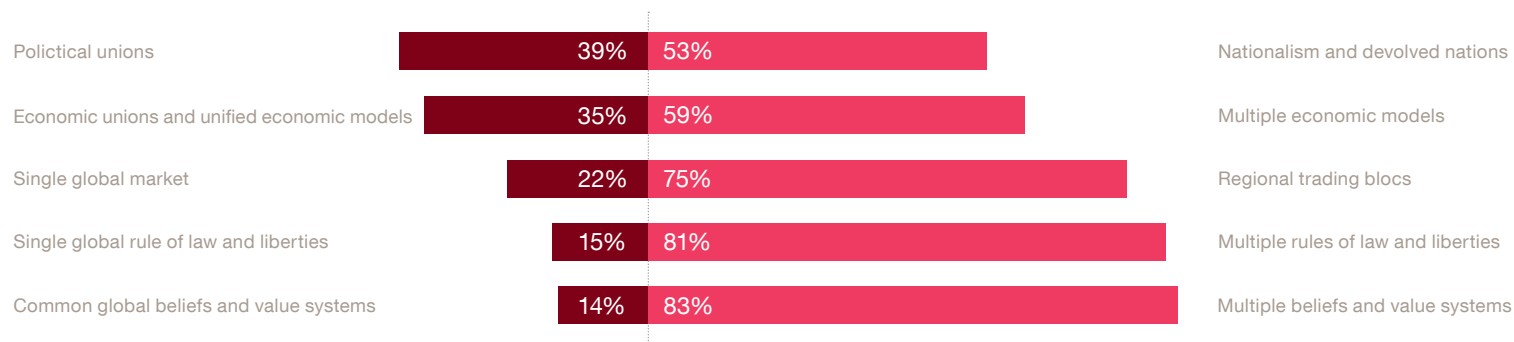


**Divergent**

CEOs have long been worried about geopolitical and economic strife but this year we’ve see them raise new concerns. At a time when globalisation and technological connectivity should be bringing us closer together, CEOs see a world that’s becoming more fractured and divided, and authority more distributed.

**Figure 5: CEOs must navigate an increasingly complicated and multi-polar world**

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



CEOs see a shift in their stakeholders’ expectations of business. Consumers and customers are looking for smarter, more environmentally friendly products and services; and the growing influence of the Millennial generation, in the workplace and as consumers, is creating stronger demand for more responsible and ethical goods, services, brands, companies and employers.

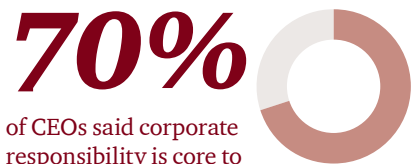
And businesses must deliver what they promise – in the digital world, nothing can be hidden.

In an uncertain, unstable world, people look for something to cling to and believe in. In other words, an organisation’s purpose and values become far more important – and CEOs are altering their strategy as a result.

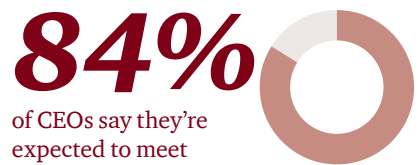
*“We believe that the issue of sustainability may have been optional for companies in the past, but today it is a must. We also have a very clear vision that we are living in an era of change. In other words, we have moved from the era of shareholder value to an era of stakeholder value.”*

Wilson Ferreira Jr. CEO, CPFL Energia, Brazil

## Providing meaning in a complex world



of CEOs said corporate responsibility is core to everything they do.



of CEOs say they're expected to meet the needs of wider stakeholders, rather than direct shareholders.

Corporate purpose can provide the anchor that employees and customers are looking for in an uncertain, fast-moving, unpredictable world. A fulfilling job at a valued employer provides meaning and the connections that many people crave as society becomes increasingly fractured.

CEOs understand that in a competitive talent market, the tipping point for the best people could be an organisation whose values align with their own. CEOs say that wider stakeholder needs such as societal value are becoming more important to employees, customers and other stakeholders, and 76% agree that business success in the 21st century will be measured by much more than financial results.

The Millennial generation is undoubtedly contributing to this trend – 59% of this generation say they actively sought out an employer whose values matched their own<sup>2</sup>. But it's also true of this generation that they want and have more flexible, mobile careers with multiple employers over their working life. For organisations employing this loyalty-lite, disparate generation of workers, values and corporate purpose create the glue that holds the workforce together.

The biggest challenge for CEOs is in understanding what their customers and employees value, how that's changing over time, and how their organisation can best meet those expectations. It's clear that business leaders are beginning to concentrate on the impact of their organisation on society as a whole; 69% of all CEOs say that their organisation's purpose is already focused on its broader impact on society but more significantly, 24% say that they've actively changed its purpose in the past three years to make it so.

*“...nine percent of our employees were Millennials six years ago. Now, 37 percent are. And again, that changes the way they interact with the rest of us. You're going to have to have a company that is ready for the next five years, where the only constant is rapid change. For that, you need people who can adjust to that change and comprehend the ecosystem. That's one of the biggest differences that's going on in our strategy.”*

Ajay Banga, President and Chief Executive Officer, MasterCard, US

*“...there are core values that are non-negotiable for any enterprise. These core values of trust, integrity, transparency, objectivity, fairness, these are completely non-negotiable.”*

Chitra Ramkrishna, Managing Director and CEO, National Stock Exchange of India Limited (NSE), India

<sup>2</sup>Millennials at work <http://www.pwc.com/gx/en/issues/talent/future-of-work/millennials-survey.html>



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***But what is societal value anyway?***

But what do CEOs mean by corporate purpose and the impact of their organisation on society? There's broad agreement among the majority of CEOs that corporate purpose that takes into account a wider stakeholder view means taking a holistic view of the role of business in society. 67% say their purpose is centred on creating value for wider stakeholders as opposed to their direct shareholders, and 84% say they're expected to address wider stakeholder needs.

This belief translates to practical strategic decisions. 82% of CEOs say they prioritise long-term over short-term profitability, and 87% feel this will be the case for successful companies in five years.

CEOs are wise in making these changes to reflect the changing expectations of their stakeholders. It's said that if you want to see the future, look behind you. Millennials are a bellwether of what are going to be mainstream expectations in three to five years – in other words, what are expectations of society today will most likely become the regulatory requirements of tomorrow.

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***“...I think society is looking for business to be much more of a meaningful participant because business can be a force for good or it could also be a force for bad but it is still a powerful force; so business has to be part of that environment.”***

Larry Ettah, Group Managing Director,  
UAC of Nigeria

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## Values: A magnet for talent?

The values and social impact of an organisation have become essential elements in the battle to attract and retain talent. 59% of CEOs say that today, top talent would rather work for organisations with social values that are close to their own, compared with 38% who felt that competitive pay was a bigger attraction.

This view was felt most strongly among CEOs in Nordic countries and in Japan, while those based in Russia, India and the UK were less convinced. There were strong industry variations too – three-quarters of CEOs of healthcare organisations believe that their employees would be attracted to the social values of their employer, compared to 53% of CEOs in the financial services sector.



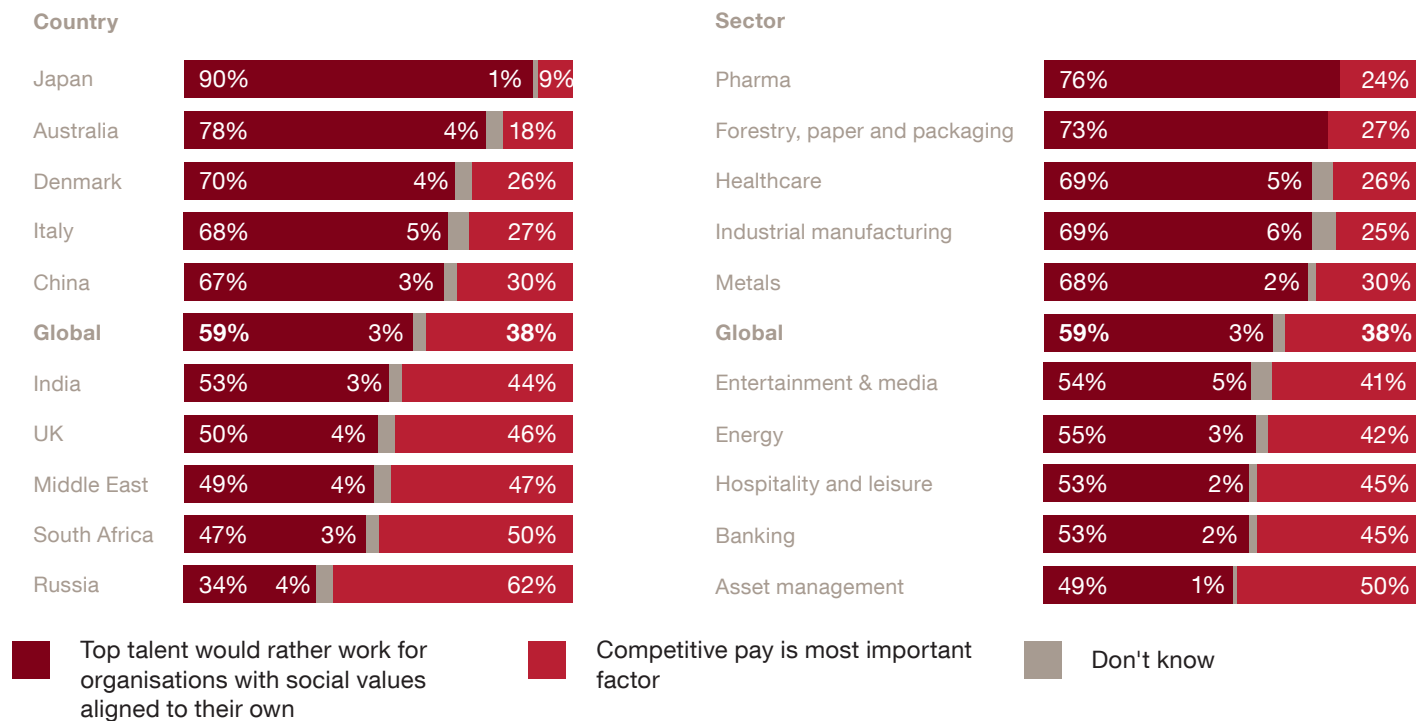
**59%**

of CEOs say top talent would rather work for organisations with social values that match their own.

**67%**

said this would be the case in five years' time.

**Figure 6: The importance of social values versus competitive pay varies by region and industry**



CEOs expect this trend to become even more pronounced in the medium to long term – 67% said that in five years’ time, the most successful organisations in their sector will attract talent based on shared values.

Competitive pay remains a given for most employees, but the persuasive power of purpose and values can’t be ignored: the Employer Value Proposition (EVP) has become the new driving force in talent recruitment, management and retention.

*“And I’m seeing tremendous emotional engagement by our colleagues who see us doing the right things for society and want to be part of that journey.”*

Dr Nigel Wilson, CEO, Legal & General, UK

*“So bringing the purpose alive in a company – this goes for every company – means that you have to be able to explain that the purpose is real, it’s one to be followed, it’s one that can be followed and it’s the starting point of everything you do. The purpose was also the starting point for developing our strategy itself. And then if you get people aligned behind your strategy, you automatically have them aligned behind your purpose as well.”*

Ralph Hamers, CEO, ING Group, Netherlands

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## Taking control of the skills pipeline

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*“Previously, we used to say: this person has a job, they have a good salary, they have stable employment, so if they are unhappy in their job it is their problem, not the company’s. I think that these days, if people working within a company feel ‘satisfied with what they do, happy with what they come to do every day’, this is a critical factor in the success of a company.”*

Guillermo Tagle, Chairman, Creditcorp Capital, Chile

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The changing working landscape and the rapid development of technology are constantly altering organisations’ skills requirements; what will be needed in even the near future is almost impossible to predict. What’s more certain is that collaborative, communication and social skills are becoming more crucial in every role.

This all adds up to a major talent recruitment and management challenge for organisations, but also for future employees and for countries as a whole. Demographic change and technological disruption have enormous implications for talent, which need a coordinated response from governments, business and individuals.

Our CEOs recognise this; when it comes to talent development, it’s clear that organisations are already playing a significant role in society – but more from necessity than choice.

CEOs in most regions have largely given up hope of their government producing the skilled, educated and adaptable workforce that they need. 76% agreed that this was essential to society, but just 26% felt that their own government was effective in doing this. CEOs based in Italy and Taiwan were particularly disappointed with their government’s efforts, with 52% and 46% respectively saying that it had been ineffective. CEOs in Switzerland (66%), China (54%), and Denmark (43%), though, were more likely to feel their government’s policies were helping.

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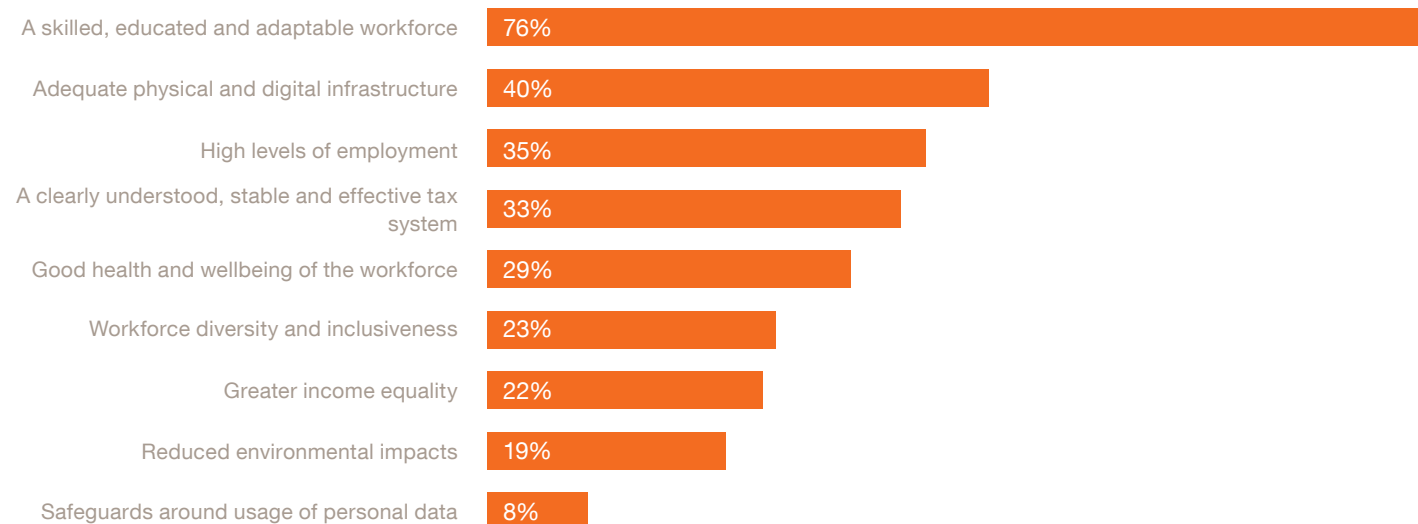
*“...we have created a collaborative platform called the Idea Factory, through which people can share their suggestions for solving the process innovation challenges we set for ourselves. In fact, you share your idea so that you can work on it with other colleagues. Obviously, throughout the year: we give financial recognition to the best ideas, but the goal is more than that; the goal is to get people to collaborate with that idea. We see a proposed idea not as an end, but as the beginning of a greater collaboration.”*

Wilson Ferreira Jr. CEO, CPFL Energia, Brazil

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**Figure 7: A skilled workforce was the most important societal outcome cited most frequently by CEOs, followed by infrastructure – both physical and digital**

Q: Which three of the following outcomes do you think are most important to society today, in the country in which you are based?



In the absence, in many regions, of reliable state-run education and training, businesses are taking up the baton. 75% of CEOs agreed that creating a skilled workforce should be a business priority, compared with 53% who felt that it should be a government priority.

It's not just about education and training; businesses are also taking on responsibility for the wellbeing of the workforce.

While 38% of CEOs said the health and wellbeing of workforce should be a business priority, only 17% felt this should be a government priority. And only 13% felt that diversity and inclusiveness should be the government's domain, compared to 35% who felt that this should be a business priority.

## Struggling with execution

*“We measure success by the traditional financial means-net sales, EBIT, and EPS-as well as total return for our shareholders. But we also consider some things that might not have a financial metric. One is, are we living our purpose? We believe that doing so will make us a better company for all of our stakeholders, that you not only can make a profit, but you can make a difference. Secondly, although transparency is not a metric, it is an expectation among consumers, customers, and our other stakeholders. So we are transparent about what we’re doing, things that are working well, things that are not, and what we’re doing to make them work better.”*

Denise Morrison, President and Chief Executive Officer, Campbell Soup Company, US

While CEOs are united in the need to make changes to their talent strategy to reflect the shifting demands of employees and other stakeholders, they’re less certain when it comes to executing that strategy, and in particular how their strategy translates into practical steps.

The WEF’s report *The Future of Jobs* suggests that while business leaders are well aware of the looming challenges in recruitment and talent management, they’ve been slow to act decisively. Two-thirds of senior HR officers participating in that study said that future workforce planning and change management was a high priority for their leadership, but only 53% were reasonably or highly confident that their organisation’s strategy was adequate.

*“...we always say to people, do the right thing and fall on the side of doing the right thing. If there’s a short-term hit to profit, we think over the long run we’ll be better off anyway by making the appropriate investments.”*

Richard Goyder, Managing Director, Wesfarmers, Australia

The main barriers to movement, it added, seemed to be a lack of understanding about the disruptive changes ahead, short-term profitability pressures, resource constraints and a lack of alignment between people and innovation strategy.

There’s undoubtedly a trade-off to be made between society’s needs and those of business. 31% felt that customers’ unwillingness to pay more for products or services is a barrier to change.

CEOs’ emphasis so far has been on visible and high-profile priorities around leadership, culture and performance management: 49% say they’re focusing on creating a pipeline of leaders for tomorrow, 41% on workplace behaviours and culture and 22% on diversity.

*“It’s hard to measure, but we always have to be alert to the reaction of Millennials in any part of the world, because anywhere, even if we are ageing, we have a Millennial generation, because they are the future to lead the country. So they are the target to check if we are doing fine or not as a corporate citizen.”*

Takeshi Niinami, President and CEO, Suntory, Japan

**45%**  
of CEOs say that responding to greater shareholder expectations creates more cost for their business.



**Figure 8: CEOs are more likely to change their talent strategy to focus on the pipeline of leaders and workplace culture. Analytics is last on their list**

Q14: What aspects of your talent strategy are you changing to make the greatest impact on attracting, retaining and engaging the people you need to remain relevant and competitive? (choose up to 3)



CEOs are concentrating on reforming those elements that are likely to have the biggest impact in terms of corporate purpose and values. This is important – the focus on developing soft skills and strong leadership is vital in a volatile, fast-changing environment. CEOs are intent on creating a new generation of leaders who'll be more aware of what it means to have a sense of purpose, and who will drive behaviours down throughout the organisation in the future.

Nevertheless, there are more difficult issues that shouldn't be neglected. 59% felt that their communications around organisational purpose and values could be more effective, particularly to employees, and many feel that their organisation already makes significant contributions to society in their everyday work, but that this wasn't being effectively communicated.

There are also concerns about capability – a third of CEOs (31%) feel that they don't have the capabilities they need to respond to widening stakeholder expectations. And it's alarming that just 4% of CEOs see workforce analytics as important to their talent strategy. 68% think that data analytics is one of the most effective ways in which they can generate engagement with their stakeholders – so why ignore its power in developing employee engagement?

Workforce data and measurement are extraordinarily valuable tools that can give organisations a competitive edge in talent management – and are essential in monitoring and measuring the impact of employer values on employees. It's possible that HR is yet to successfully impress on the board the importance of workforce analytics and the link between investment in HR initiatives and bottom line metrics. If that's the case, there's important work to be done.

# Getting talent strategy right

It's clear that talent strategy is a critical issue. Getting it right is essential to the success of any organisation as the disruptive forces throughout the world continue to be felt. The tried and tested talent management approaches of the past no longer apply. This is the most complicated environment for talent strategy and management we've ever seen; navigating it demands truly extraordinary leadership.

## ***Understand what you need...***

There's no quick fix that will secure the talent that organisations will need in the future. The world is changing too quickly – many of the skills that organisations will need in 20 years' time are unknown today. What's clear is that organisations in every sector will be seeking out collaborative, digitally savvy people who can adapt to constant change. Workforce analytics is the single most important tool available to organisations in understanding and predicting what they need and when and where they need it.

## ***..and how you will use it***

The structures organisations use to harness talent have become as important as talent itself. Typically, organisations are using a suite of options to maximise their access to increasingly hard-to-find talent, from 'gig economy' workers to full-time employees. Getting these structures and relationships right is a complicated issue and one that organisations need to address rapidly. They will need to transform themselves or get left behind.

## ***Rethink your talent ecosystem***

Talent management in most organisations is an amalgam of the many and diverse HR functions, all designed and managed separately. This is no longer good enough. It's time for a paradigm change in the way HR is organised and managed, built around clear strategic intent. HR disciplines, from recruitment to leadership, must function as an ecosystem, inextricably linked and guided by a clear overarching people strategy that's aligned to the wider business strategy and designed with the customer and the purpose of the organisation in mind. Only then will organisations be fit enough to sense coming changes and adapt at speed.

## ***Invest in reskilling***

The WEF report found that organisations which saw workforce strategy as a priority were almost 50% more likely to plan to invest in the reskilling of their workers. These companies were also far more likely to target diverse talent pools and support mobility within the organisation. The best organisations know that investment in reskilling allows them to fill skills gaps efficiently and quickly.

## ***Invest in relationship building***

CEOs are recognising that a strong sense of values and purpose can help them attract the talent they need from other sectors and countries, and is especially important to the new generation entering the workplace. The Employer Value Proposition has become critical to talent strategy, and that means focusing not only on engagement and purpose, but on the legislation-related issues that have the potential to damage EVP – such as ethics, diversity and gender pay gaps.



### ***Suitability and adaptability***

The skills crisis isn't just about a shortage; it's also about suitability and adaptability. Organisations are already hiring the right people with the potential and enthusiasm to learn, but this strategy won't work unless employers have the learning agility and culture to support it. Explore new ways of developing skills and don't overlook any group, sector or region in the search for talent.

### ***Find a common language***

Generational, geographic and sector diversity are presenting huge challenges for employers. Different employee groups have different priorities and workforce analytics can be invaluable in identifying the needs of each. But organisations must also find a way to speak as one to a diverse group of workers – and that language will be based on choice and flexibility at work.

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***“We’ve seen success in terms of the value of the stock, but you don’t measure everything with that. You also measure with employee engagement. There’s no shortcut to the steps you’ve got to take to bring your employees with you on this fascinating journey that the company is on. The first one is to have a vision of where you want the company to go and the factors that are changing around it. Secondly, that vision has to be in as simple a language as possible which we never tire of communicating thousands of times a year.”***

Ajay Banga, President and Chief Executive Officer, MasterCard, US

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## *Conclusion*

There's no doubt that CEOs and their organisations are facing a perfect storm of economic woe and disruptive change. The future is more unpredictable than ever; success increasingly depends on an organisation's ability to rapidly adapt, reskill and deploy people to wherever the next opportunity arises.

Cost pressures continue unabated but it would be folly for any organisation to neglect their investment in people in this environment. Talent is a crucial driver of value; get it right and costs are reduced while revenue improves. It's people who power your bottom line.

The difficulty for CEOs is where to best target valuable resources: our survey shows that they have realised that shared values and a sense of purpose are becoming critical to talent strategy, but where should they start?

Creating a true sense of purpose – one that reaps real dividends in terms of productivity, loyalty and the employer brand – demands a thoughtful approach. It means focusing on the wellbeing of employees, on encouraging adaptability and diversity throughout the organisation and, most critically, it depends on making effective and intelligent use of data analytics in talent strategy. This all comes down to people: it's people that will drive through change.

## About the survey

In total, we conducted 1,409 interviews with CEOs in 83 countries between September and December 2015. By region, 476 interviews were conducted in Asia Pacific, 314 in Western Europe, 148 in North America, 169 in Latin America, 170 in Central and Eastern Europe and 134 in Africa and Middle East.

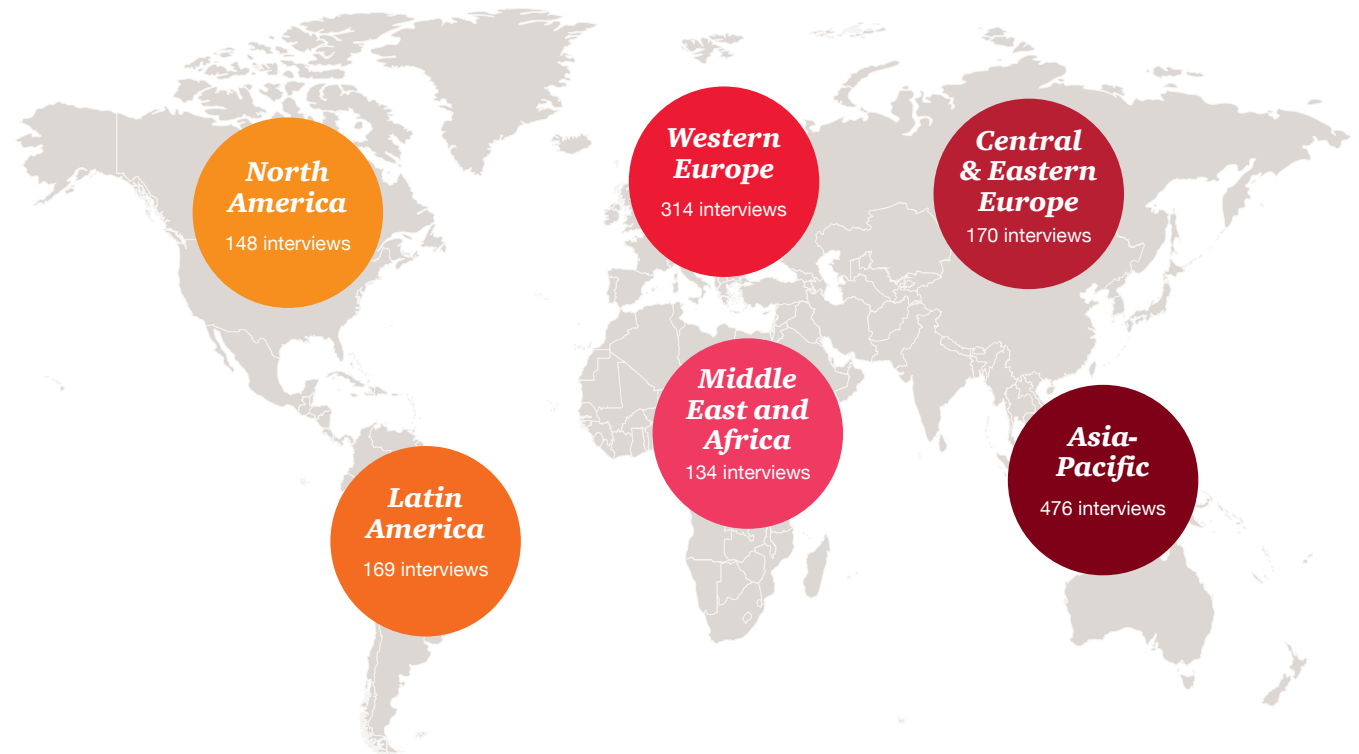
In addition, 33 CEOs sat down with us near the end of 2015 for more extensive conversations. Their thoughts are reflected in the quotes throughout our report. The interviews were spread across a range of industries.

More details about our survey methodology and findings by region and industry can be found at [www.pwc.com/ceosurvey](http://www.pwc.com/ceosurvey)

**1,409**

*interviews completed across*

**83** *countries*



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