



Summer 2023 Fortune/Deloitte CEO Survey Insights

Calm in the face of the disruption

Despite geopolitical disruption and looming economic concerns, CEOs remain focused on navigating through uncertainty. While the challenges are many, today's CEOs demonstrate incredible resilience through their ability to navigate external factors and continue to explore and invest in emerging technologies. Below are highlights from the most recent Fortune/Deloitte CEO survey.

Key takeaways

1. **Challenges and disruptors:** Geopolitics unseats talent as top CEO challenge for the first time in two years.
2. **Outlook:** More than half of CEOs anticipate a recession, yet expectations for company growth hold steady.
3. **Emerging technology:** Technology continues to be a top priority for CEOs as they adapt to an ever-changing environment while managing a variety of implementation challenges.
4. **Generative AI:** Generative AI adds another ripple in the wave of disruption as CEOs balance how to take advantage of new opportunities to increase efficiencies, enhance growth, and reduce costs while managing risk.

“While CEOs are split around their predictions for a recession, the majority are confident they can sustain some level of growth for their organization. Despite a variety of increasingly complex challenges, from geopolitical uncertainty to economic volatility, CEOs are focused on capturing the early opportunities of emerging technologies while maintaining a cautious approach and managing risk.”

– Jason Girzadas, CEO, Deloitte US

Disruptors: Geopolitics unseats talent as top CEO challenge for first time in two years

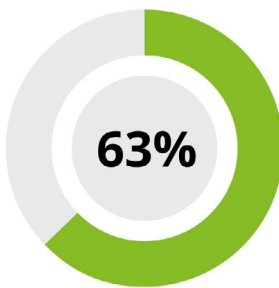
For the first time since June 2021, talent is no longer the biggest challenge CEOs face today with geopolitics, the economy, and uncertainty rising to the top of the list. This shift may reflect the confidence CEOs have in their companies' ability to navigate labor challenges and inflation while sharing greater concern about navigating geopolitics and financial uncertainty. At the same time, geopolitical instability and inflation top the list of external factors expected to disrupt business strategy in the next year.

“Market uncertainties due to inflation, interest rates... and geopolitical tensions.”

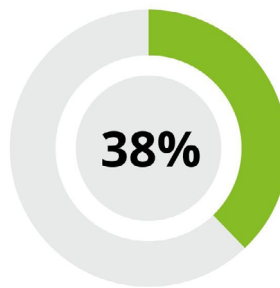
- CEO survey respondent, when asked about their biggest challenge



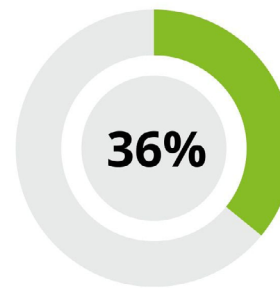
Although inflation remains a top concern for CEOs, they are confident in their companies' ability to navigate the issue



63% feel confident or very confident navigating inflation



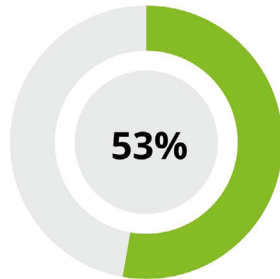
Just 38% feel confident or very confident navigating geopolitical instability



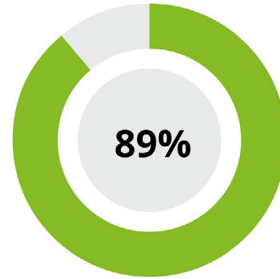
Only 36% feel confident or very confident navigating financial/market instability

Outlook: More than half of CEOs anticipate a recession, yet the majority still expect some degree of organization growth

Despite increasing concerns around geopolitical conditions and a recession, the majority of CEOs still expect some degree of growth for their organization over the next year—highlighting the continued resilience and cautious optimism CEOs have demonstrated for the past few years. When considering economic indicators, CEOs predict only mild fluctuations from current levels with inflation decreasing slightly and the Fed Funds interest rate, S&P 500, and unemployment rates increasing slightly.



53% of CEOs expect a recession in the second half of 2023 or early 2024; 14% believe their country is currently in one, 32% do not believe their country will have a recession



89% of CEOs expect modest, strong, or very strong growth or their organization over the next 12 months

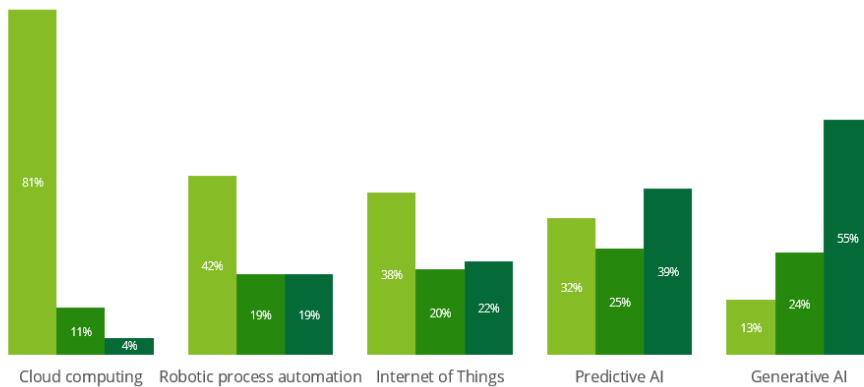
Emerging technology: Forging new ground despite obstacles

CEOs continue to explore and invest in emerging technologies while staying the course with business strategy as they manage implementation challenges from workforce skills to applicable use cases and technology maturity.



Please indicate your organization's current level of adoption for each of the following technologies:

■ At scale production/Pervasive adoption ■ Limited production use ■ Evaluating/Experimenting

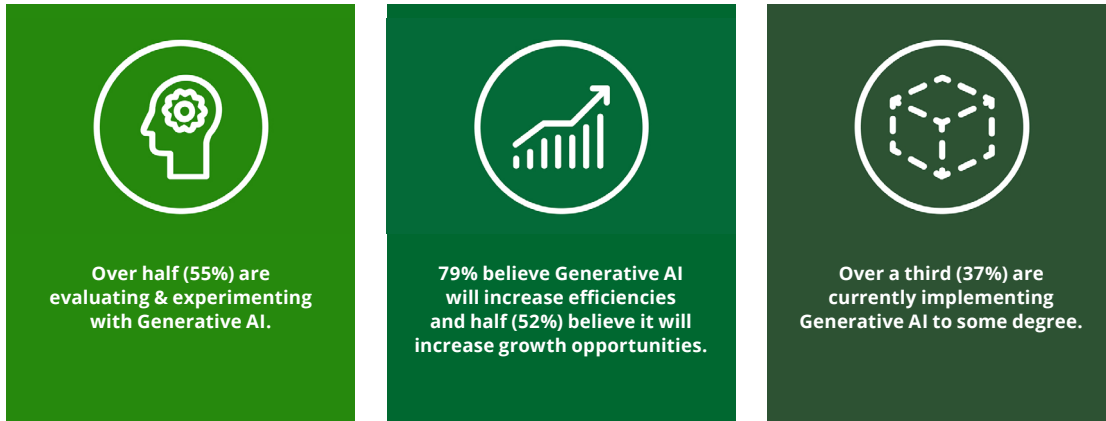


The top obstacles across all technologies include:

-  Lack of use cases/ value proposition
-  Lack of mature technology
-  Concerns about security and risk
-  Insufficient workforce skills

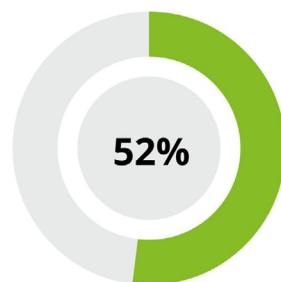
Generative AI and the changing nature of work: Prioritizing decisions and choosing opportunities wisely

Still early in its adoption, Generative AI adds another ripple in the wave of disruption. CEOs once again demonstrate their ability to be ambidextrous—simultaneously focusing on the present and the future.



CEOs remain committed to developing talent as they judiciously evaluate the opportunities for emerging technologies to augment the workforce. At the same time, technology changes may be driving strategic decisions for CEOs, particularly around skills and how work is performed.

Given the impact of emerging technology on how work is performed, over the next six months:



52% are likely to change expectations for where work is performed (e.g., on-site, hybrid, remote)



50% are likely to consider pausing or adjusting in hiring

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