



CRITICALEYE

# CEO RESEARCH 2021

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LEADING A PURPOSE  
DRIVEN ENTERPRISE

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“Since our last litmus test of CEO sentiment in October 2020, there are signs of a recovery in confidence. An encouraging 60% of Chief Execs are now forecasting an increase in their revenues over the next 12 months, versus just 6% a year ago. However, 52% say trading levels are still currently below pre-pandemic levels.

While the immediate uncertainty is less acute, the longer-term picture for many businesses is still unclear. At a time when the demands of customers are growing, and sustainability and ESG are rising up the priority list, CEOs need support in making crucial decisions around business model change. However, with 64% of them saying strategic debate on the Board needs improving, this may not be immediately forthcoming.

In fact, a significant 72% of CEOs say they feel isolated in their role, a worrying rise from 58% in 2020. Over the same period, the percentage of CEOs who say their Chair adds value in terms of supporting the goals and objectives of the executive team has fallen from 75% to 67%, perhaps indicating challenges around top team alignment and trust.

To succeed, businesses must become increasingly agile so that they can innovate at pace to better serve their customers. CEOs will need inspiration to do this and, based on this latest research, may do well to look externally, beyond their organisation and sector, to obtain this.”



**Jamie Wilson**  
Managing Director, Group Services  
Criticaleye

# Key findings from Criticaleye's CEO Research 2021



**72%** of CEOs feel isolated in their role, up from 58% in 2020



**60%** of CEOs say **revenues will increase** over the next 12 months, compared to 6% a year ago



**64%** of CEOs want to **improve debate on strategy**



**Improved organisational agility** is the biggest change CEOs are currently seeing



**67%** say their **Chair adds value**, down from 75% in 2020



**92%** of CEOs say mentoring **improves performance of senior execs**

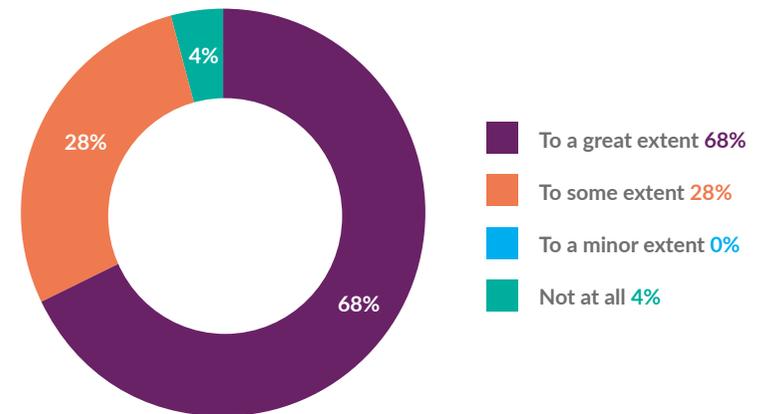
# Strategy

Criticaleye offers senior executives a unique opportunity to discuss and reflect upon strategy with peers and experts

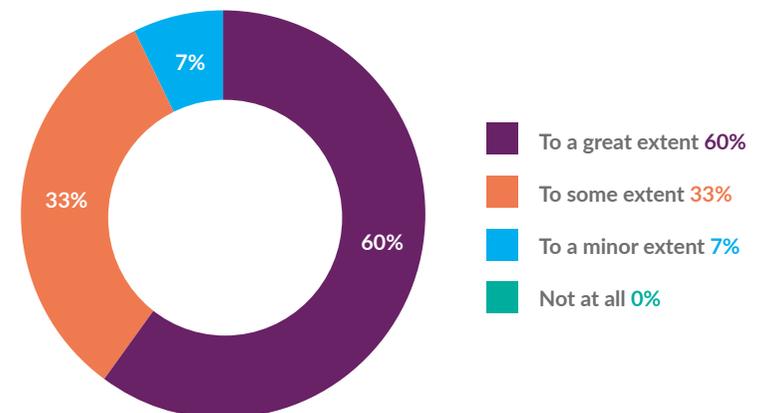
CEOs remain confident in the relevance of their business strategies

Is your business strategy still relevant?

May 2021



Oct 2020

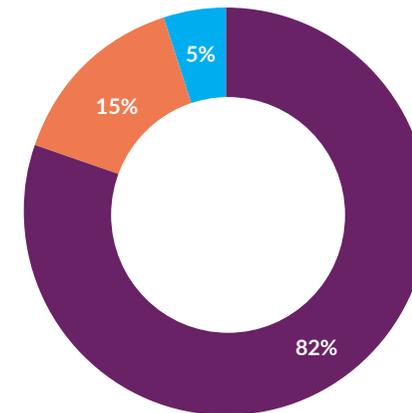


While CEOs are reducing investment in property and facilities, R&D, customer engagement and operations are all being protected

“Overall, we are increasing investment across the board, but we are slimming down our property portfolio as we move to a hybrid model.”

CEO Research Participant

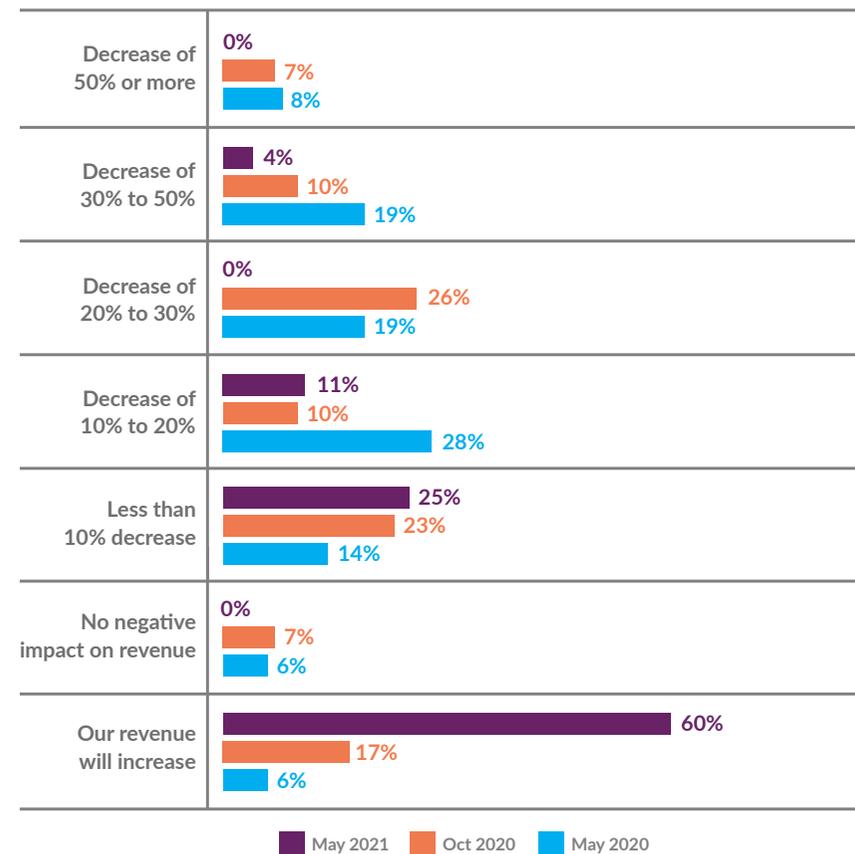
Where are you looking to cancel or suspend planned investment?



- Property / facilities 82%
- ESG / sustainability 15%
- Leadership development 5%
- R&D 0%
- Customer engagement 0%
- Operations 0%

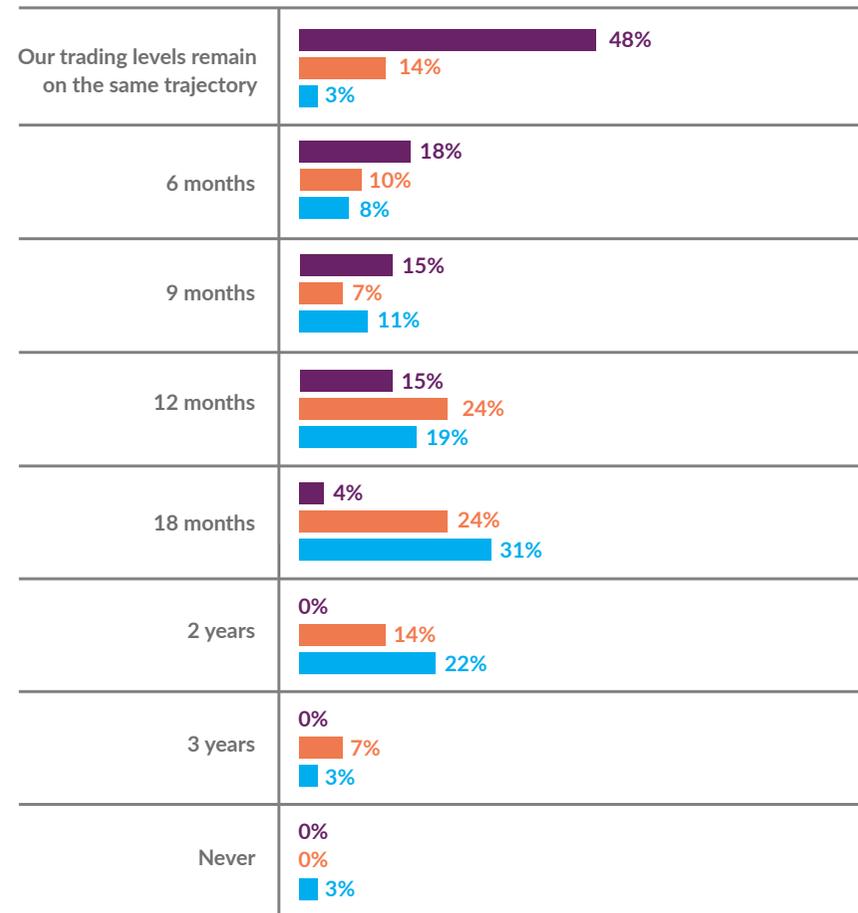
60% of CEOs now say revenues will increase over the next 12 months, compared to the 88% that predicted a fall in May 2020

What impact will COVID-19 have on revenues over the next 12 months?



More than half (52%)  
of CEOs say their  
business is not yet  
trading at pre-  
pandemic levels

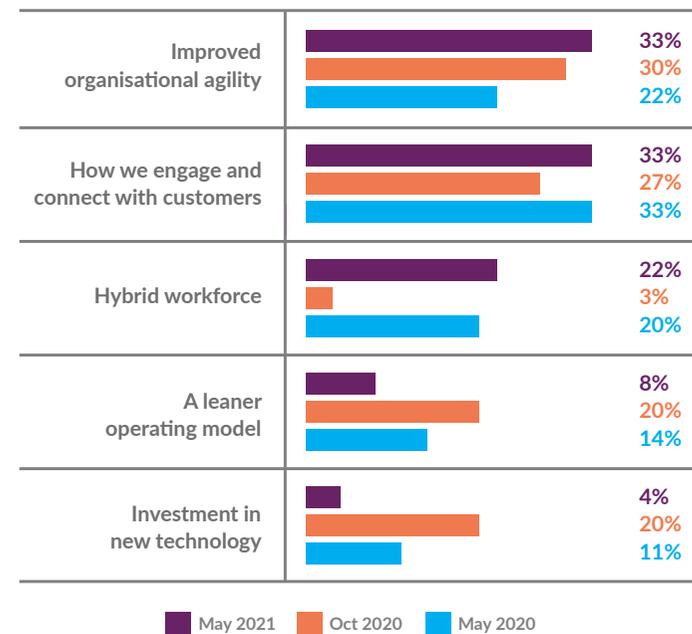
When do you expect your organisation to  
return to pre-COVID 19 trading levels?



■ May 2021 ■ Oct 2020 ■ May 2020

The changes taking place in organisations reflect the urgent need to become more agile and connect with customers

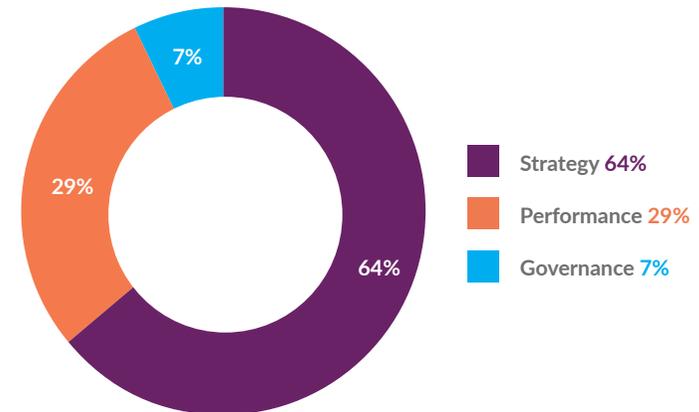
Where do you see the biggest changes occurring in your organisation?



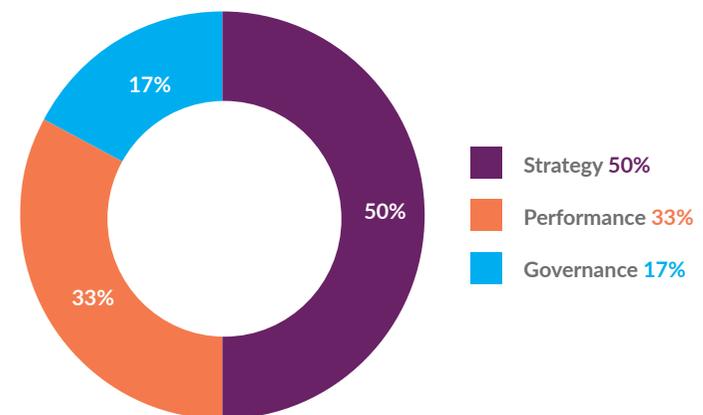
CEOs continue to highlight strategy as the top area where Boards need to improve the quality of their debate. While CFOs agree, they are also seeing an increasing need to discuss governance

In which of the following areas do you need to improve the quality of debate with the Board?

CEO 2021



CFO 2021



# CEOs will make 'retaining talent' and 'organisational design' top priorities in the year ahead

## Priorities in May 2021

1. Retaining key talent and developing skills
2. Organisational design
3. Sustainability
4. Innovation
5. ESG

## Priorities in October 2020

1. Navigating COVID-19
2. Retaining key talent and developing skills
3. Sustainability
4. C-suite succession (including the CEO)
5. Innovation

## Priorities in May 2020

1. Retaining key talent and developing skills
2. Navigating COVID-19
3. Cost reduction
4. Funding and refinancing
5. Organisational design

## Priorities in 2019

1. Retaining key talent and developing skills
2. Digital disruption
3. Improved performance management
4. Cost reduction
5. Rebuilding the leadership team

# Leadership

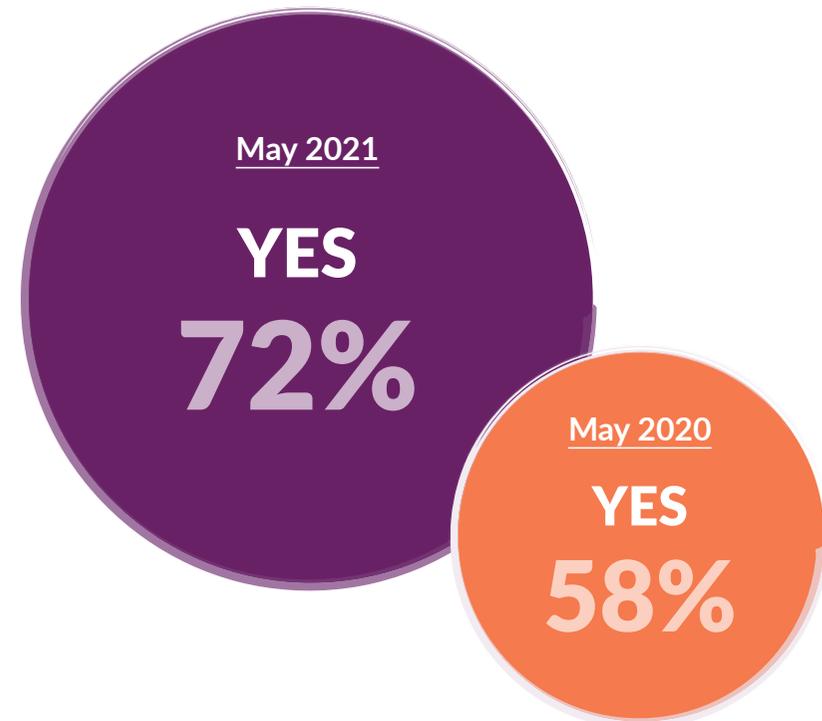
Criticleye enables and develops great leadership with the perfect mix of peer to peer discussion and high-impact case studies

**CEO isolation has increased over the last year. The need for peer support has never been higher**

“Connecting with other CEOs is helpful as they are often experiencing similar events and dynamics in their organisational development and Board relationships.”

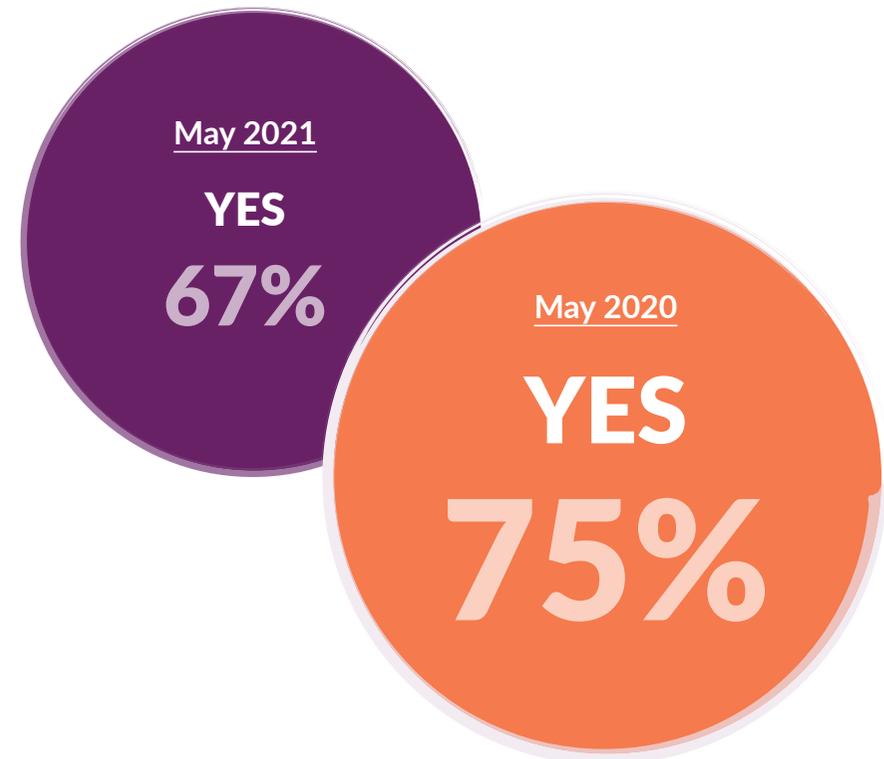
CEO Research Participant

As a CEO, do you feel isolated in your role?



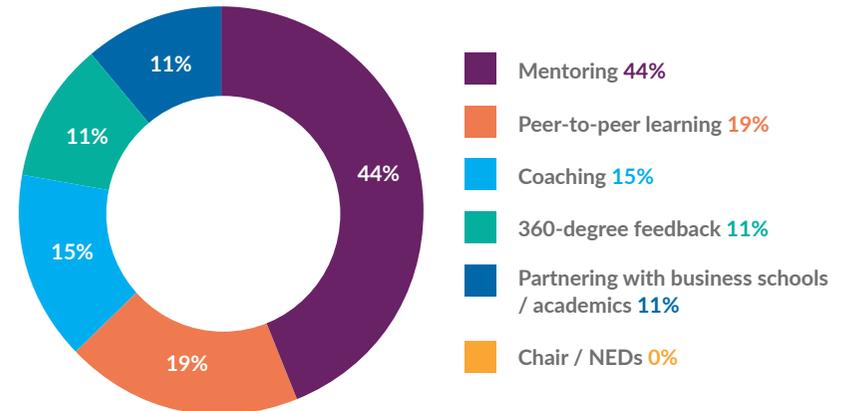
**Only 67% of CEOs believe their Chair adds value by supporting the goals and objectives of the executive team, down from 75% a year ago**

Does your Chair add value in terms of supporting the goals and objectives of the executive team?

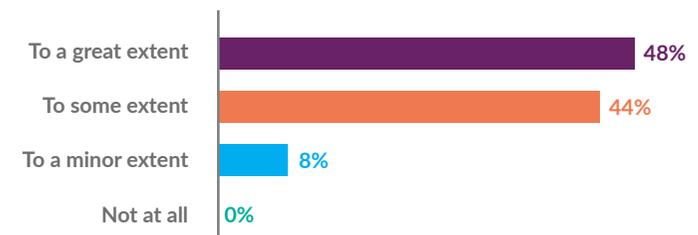


Almost half (44%) say mentoring is the most effective leadership development tool, with 92% claiming it enhances their performance

What have you found to be the most effective leadership development tool for senior executives?



Does external mentoring improve the performance of senior executives?



# 96% of CEOs agree that business performance is enhanced when executives have access to external reference points

Click [here](#) to see leaders in our Community discuss why collaboration is important and which interactions were most valuable to them.

Featuring:

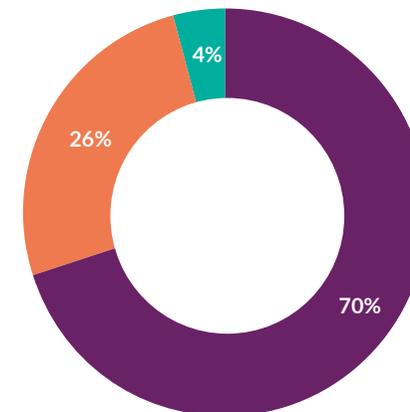
**Jill Easterbrook**, NED, Auto Trader UK

**Jaidev Janardana**, CEO, Zopa

**Paul Cardoen**, former CEO, First Bank of Nigeria

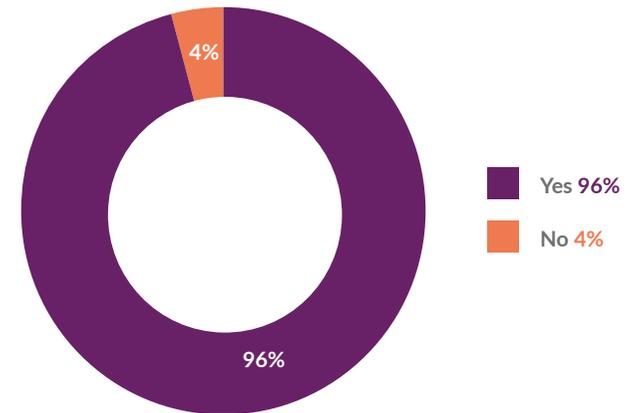
**Paula Dowdy**, SVP & GM EMEA, Illumina

Is business performance enhanced if executives have access to reference points outside of their organisation / sector?

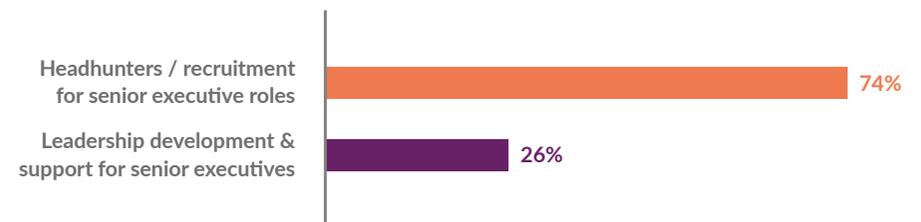


The majority (96%) of CEOs believe leadership development should be prioritised over headhunter fees. However, Chief Execs say most organisations (74%) still spend more on bringing in external talent

In your view, should more be spent on leadership development and support for senior executives, as opposed to headhunters?



In your experience, on which of the following do organisations spend more?

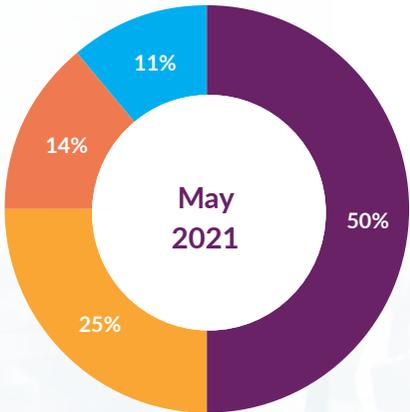


# Stakeholders

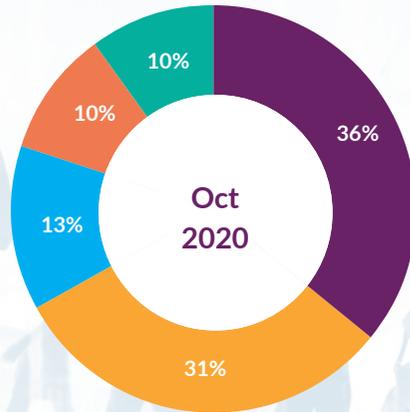
CriticalEye provides the right reference points to manage and navigate increasingly important stakeholder relationships

# Customers have taken a larger lead as the CEO's most challenging external stakeholder, while the Board has become a more challenging internal stakeholder

## Who is your most challenging external stakeholder?

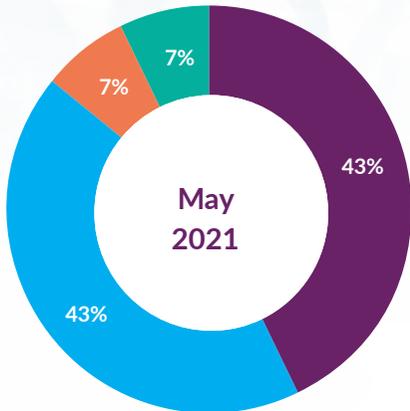


- Customers 50%
- Shareholders/ investors 25%
- Government 14%
- Regulator/s 11%
- Suppliers 0%

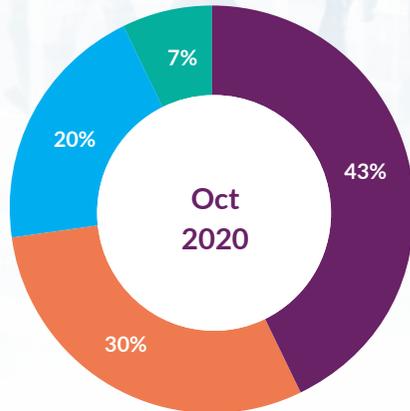


- Customers 36%
- Shareholders/ investors 31%
- Regulator/s 13%
- Government 10%
- Suppliers 10%

## Who is your most challenging internal stakeholder?



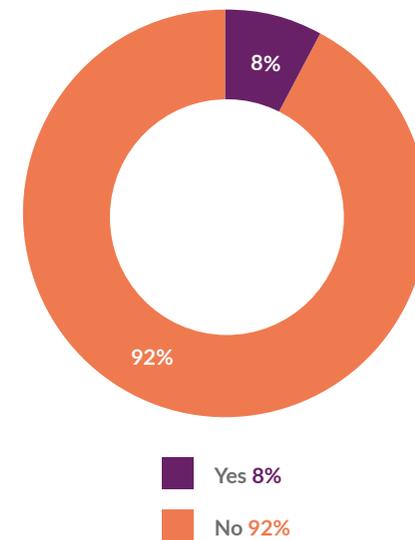
- Workforce 43%
- Board 43%
- Senior leadership team 7%
- Chair 7%



- Workforce 43%
- Senior leadership team 30%
- Board 20%
- Chair 7%

Only 8% of CEOs say  
the CFO is next in  
line for the top job

Is the CFO your most likely successor?



# CEOs revealed the top three areas where their colleagues need to improve

## CFOs

1.

Strategic thinking

2.

People skills and communication

3.

Seeking inspiration / fresh thinking from other sectors

## HRDs

1.

Strategic thinking

2.

Commercial understanding of the business

3.

Building alignment in the senior leadership team

## NEDs

1.

Commercial understanding of the business

2.

Strategic thinking

3.

Ability to challenge constructively



# When asked where they need to improve personally, CEOs consistently point to seeking inspiration from outside the organisation

May 2021		Oct 2020	May 2020	2019	2018	
<b>1</b>	▲	<b>2</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>Seeking inspiration / fresh thinking from other sectors</b>
<b>2</b>	▼	<b>1</b>	<b>2</b>	<b>3</b>	<b>2</b>	Building alignment in the senior leadership team
<b>3</b>	▶	<b>3</b>	<b>4</b>	<b>2</b>	<b>4</b>	Supporting innovation
<b>4</b>	▶	<b>4</b>	<b>3</b>	<b>4</b>	<b>6</b>	Ability to influence the Board
<b>5</b>	▶	<b>5</b>	<b>5</b>	<b>6</b>	<b>5</b>	Strategic thinking
<b>6</b>	▶	<b>6</b>	<b>6</b>	<b>5</b>	<b>3</b>	People skills and communication

“At Criticaleye, we believe that great leadership creates positive outcomes and enables powerful legacies. Whatever the strategic direction of your business, it’s essential to have an effective, cohesive leadership team in which there is complete trust and alignment.”



**Charlie Wagstaff**

Managing Director, Criticaleye

# CRITICALEYE PODCASTS

## LEADERSHIP WITH NEW HORIZONS

### EPISODE 1

This podcast kicks off our new series. Featuring Criticaleye's CEO, Matthew Blagg and Director of Content, Marc Barber, it covers key themes for leaders and senior executives in 2021, plus our latest CEO Research.

(January 2021)

### EPISODE 2

This episode with Criticaleye's CEO, Matthew Blagg and Director of Content, Marc Barber, takes a deep dive into our CEO Research, including the challenge of aligning people, strategy and culture in 2021.

(February 2021)

### EPISODE 3

Featuring Criticaleye's CEO, Matthew Blagg and Managing Editor, Emma Carroll, this episode covers some of the key outtakes from our HR Director Forum 2021. We look at HR Director sentiment in the current climate.

(March 2021)

### EPISODE 4

In this podcast, Criticaleye's CEO, Matthew Blagg and Managing Editor, Emma Carroll, discuss some of the key outtakes from our recent Growth Company, NED and Asia Leadership Forums.

(April 2021)

### EPISODE 5

Covering some of the key outtakes from our recent HR Director Retreat, Criticaleye's CEO, Matthew Blagg and Managing Editor, Emma Carroll, review the role of the HR Director and how it has evolved as a result of the pandemic.

(May 2021)

### EPISODE 6

Criticaleye's CEO, Matthew Blagg and Director of Content, Marc Barber, cover some of the key outtakes from our recent CEO Retreat, including board dynamics, customer focus, agility and purpose.

(June 2021)

To listen to any of Criticaleye's podcasts, please visit: [www.podcasts.criticaleye.com](http://www.podcasts.criticaleye.com)

# We Inspire Leaders to Succeed



Our bespoke solution supports leaders with personal, strategic and team development.

Our unique strength lies in our ability to bring together a wide range of leadership and industry experience.

We invite leaders into a trusted environment, where executives and their teams get access to the insight they need to enhance their performance.

We enable senior executives to address key questions around leadership, strategy and stakeholder management.



Achieve  
**Better**  
Performance

## Inspiring Leaders to Succeed

### Our Values

**Respect:** an appreciation for diverse and varied views and experiences is crucial to high-performance leadership

**Collaboration:** working together to share knowledge and expertise is a defining characteristic of effective executive teams

**Challenge:** strategies and ideas need to be constructively challenged to reach the best outcome

**Trust:** leaders need to trust their colleagues and peers in order to work effectively and drive results

**Integrity:** we inspire leaders to succeed by providing a closed and confidential environment where Members can share openly

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