



CRITICALEYE

CEO RESEARCH 2021

LEADING A PURPOSE
DRIVEN ENTERPRISE

“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**

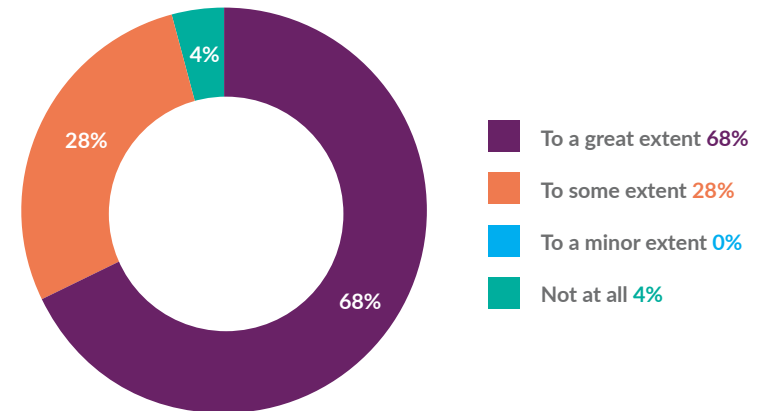
Strategy

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

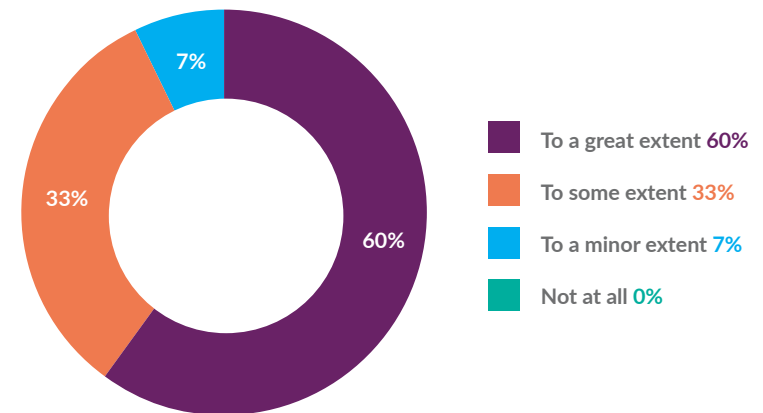
CEOs remain
confident in the
relevance of
their business
strategies

Is your business strategy still relevant?

May 2021



Oct 2020

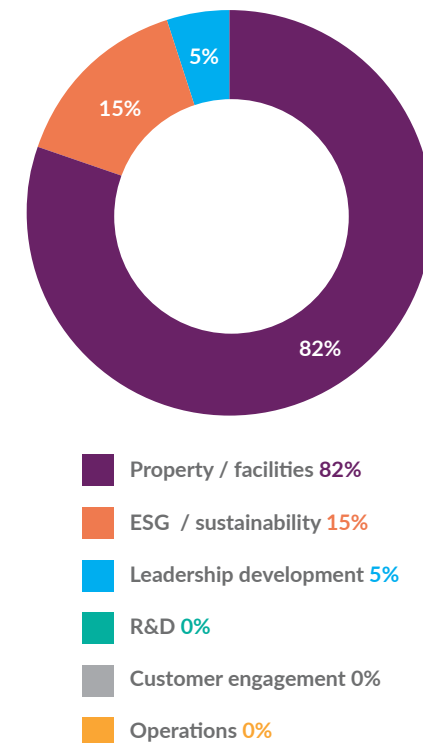


While CEOs are reducing investment in property and facilities, R&D, customer engagement and operations are all being protected

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

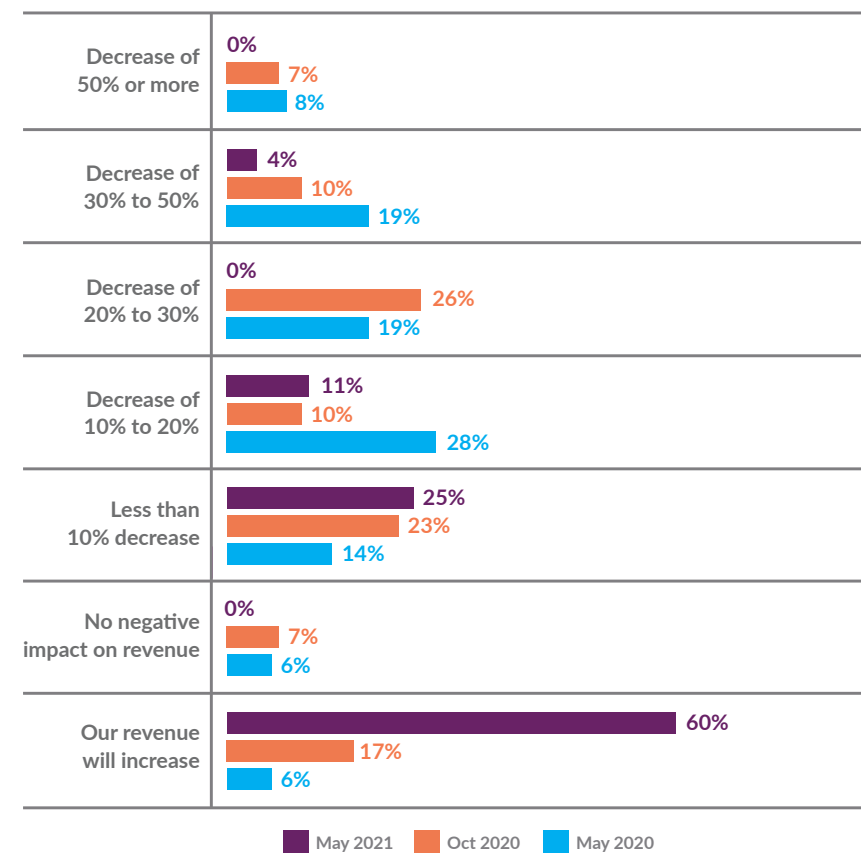
CEO Research Participant

Where are you looking to cancel or suspend planned investment?



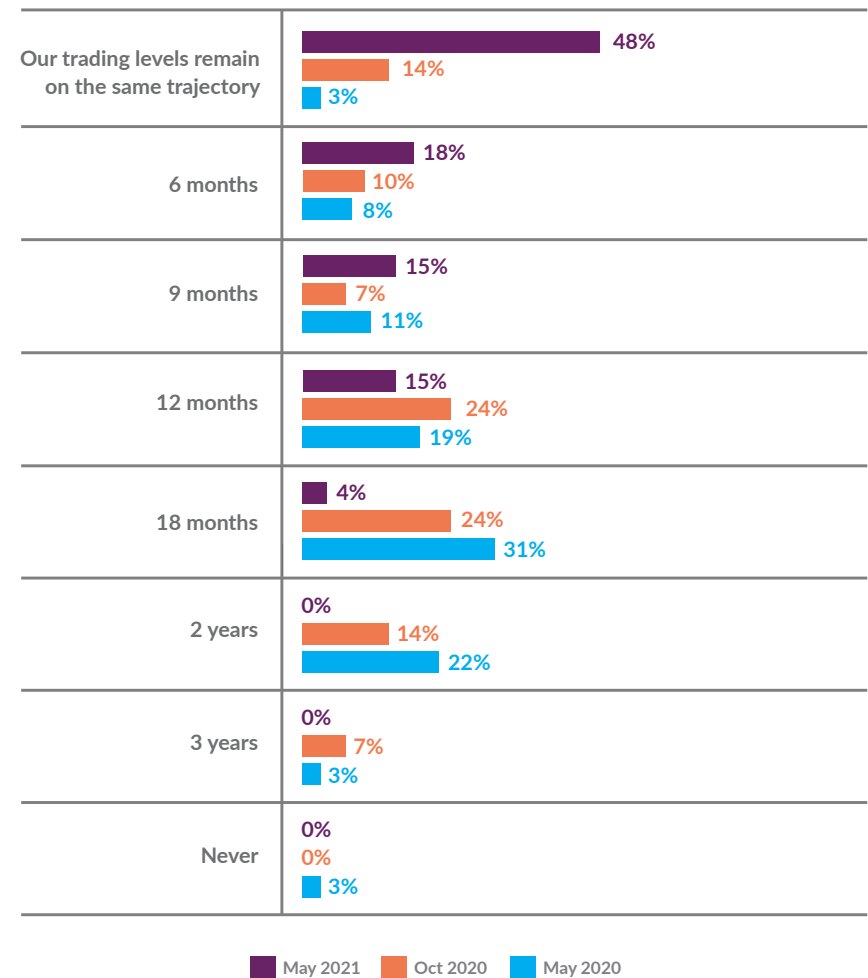
60% of CEOs now say revenues will increase over the next 12 months, compared to the 88% that predicted a fall in May 2020

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



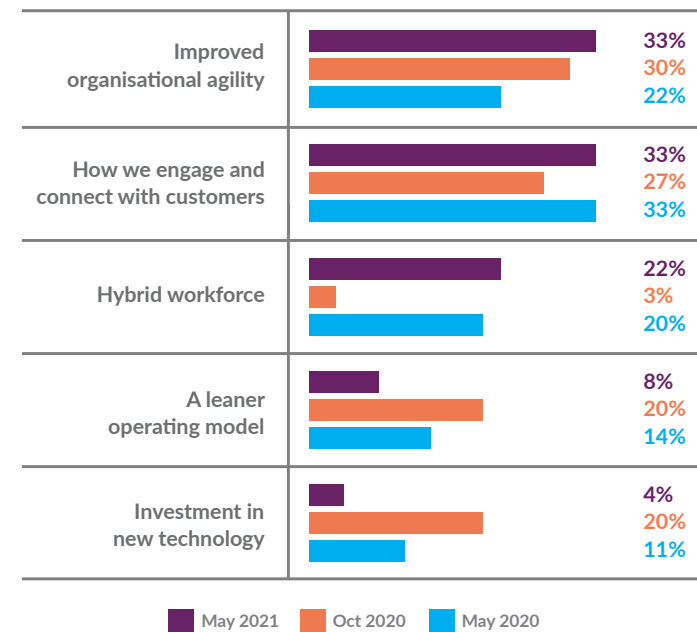
More than half (52%)
of CEOs say their
business is not yet
trading at pre-
pandemic levels

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



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

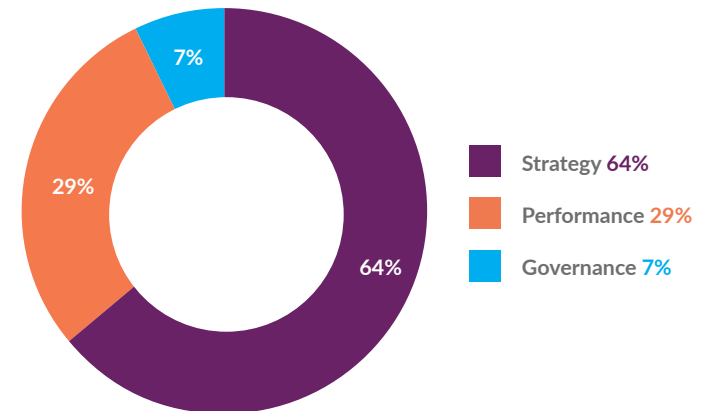
Where do you see the biggest changes occurring in your organisation?



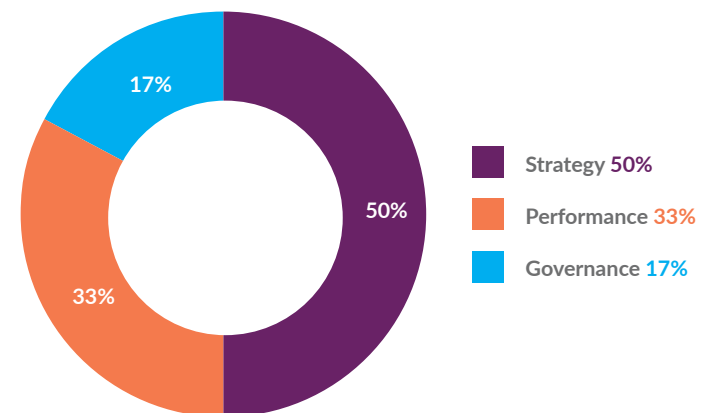
CEOs continue to highlight strategy as the top area where Boards need to improve the quality of their debate. While CFOs agree, they are also seeing an increasing need to discuss governance

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

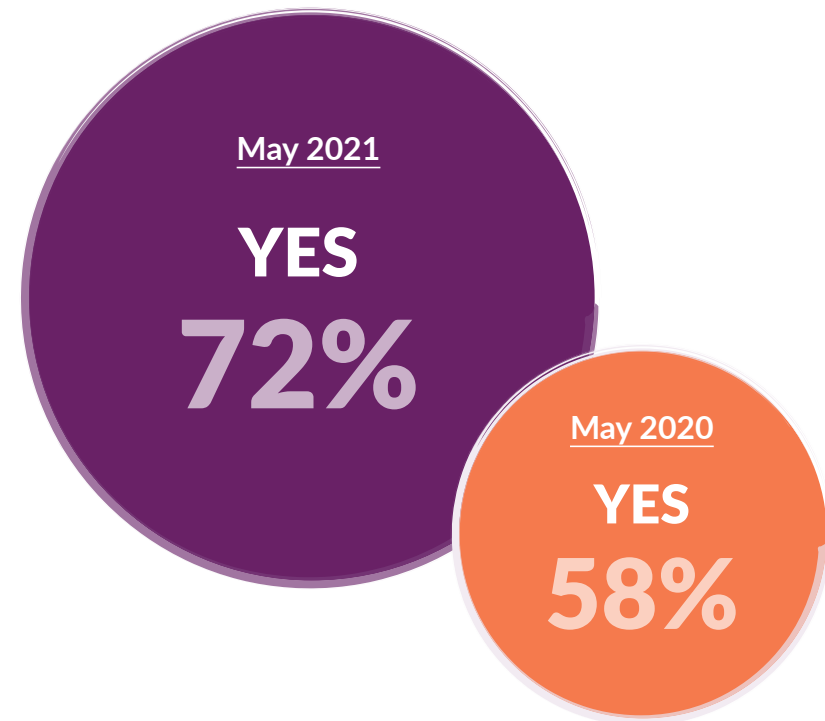
Criticaleye enables and develops great leadership with the perfect mix of peer to peer discussion and high-impact case studies

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.”

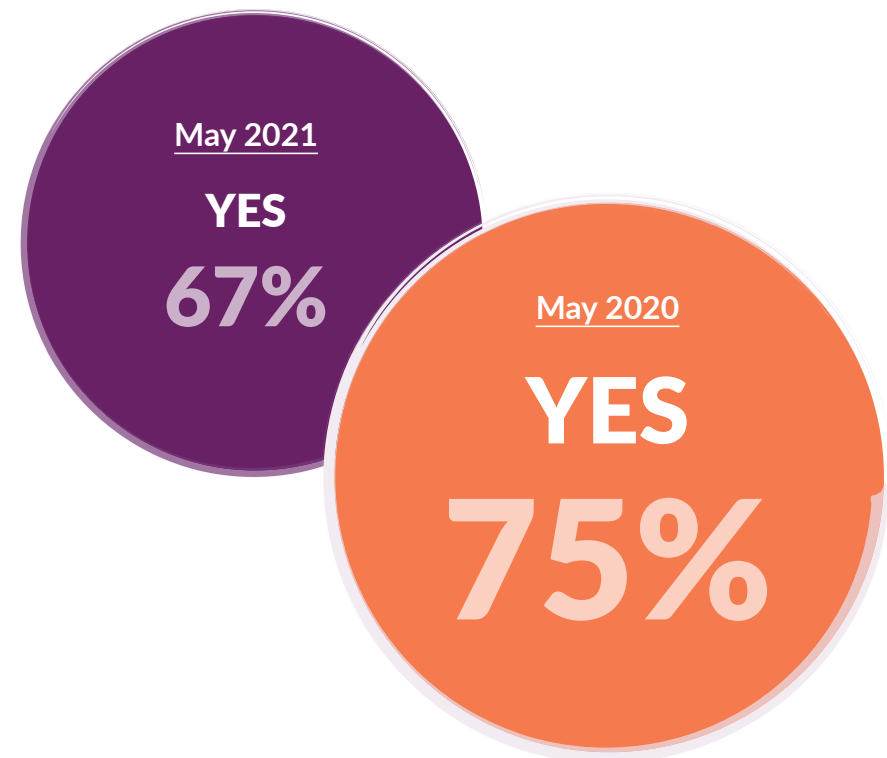
CEO Research Participant

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



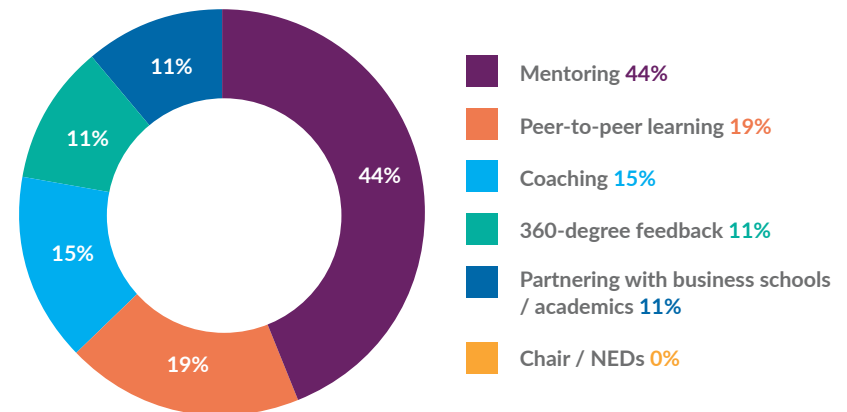
**Only 67% of CEOs
believe their Chair
adds value by
supporting the goals
of the executive
team, down from
75% a year ago**

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

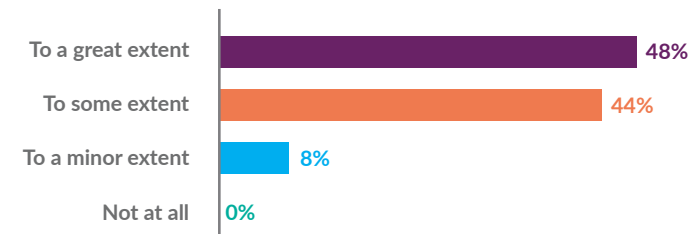


Almost half (44%) say mentoring is the most effective leadership development tool, with 92% claiming it enhances their performance

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:

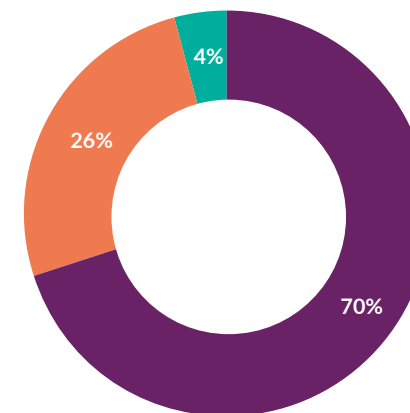
Jill Easterbrook, NED, Auto Trader UK

Jaidev Janardana, CEO, Zopa

Paul Cardoen, former CEO, First Bank of Nigeria

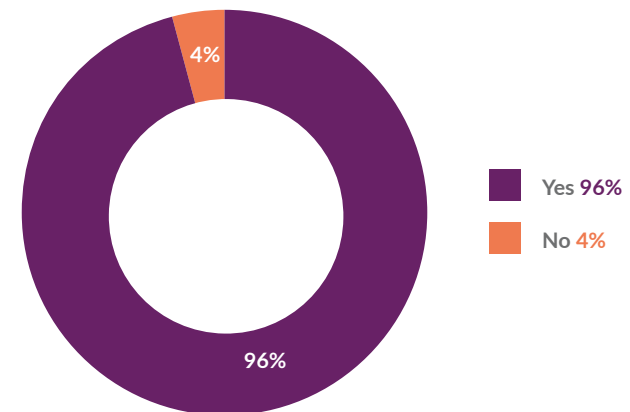
Paula Dowdy, SVP & GM EMEA, Illumina

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

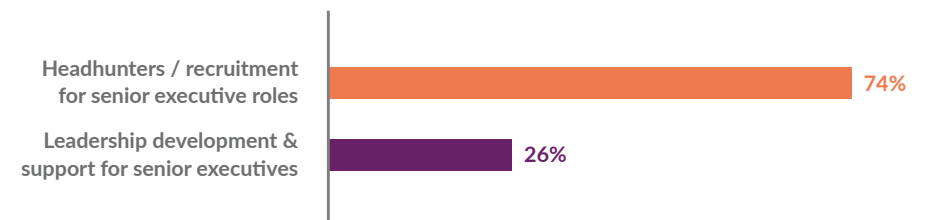


The majority (96%) of CEOs believe leadership development should be prioritised over headhunter fees. However, Chief Execs say most organisations (74%) still spend more on bringing in external talent

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?

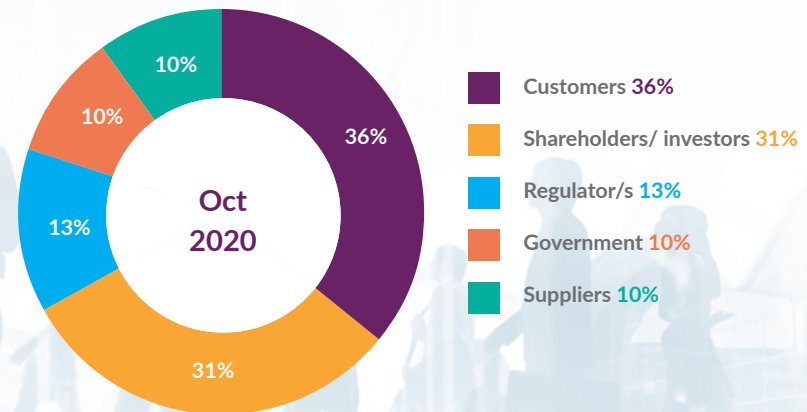
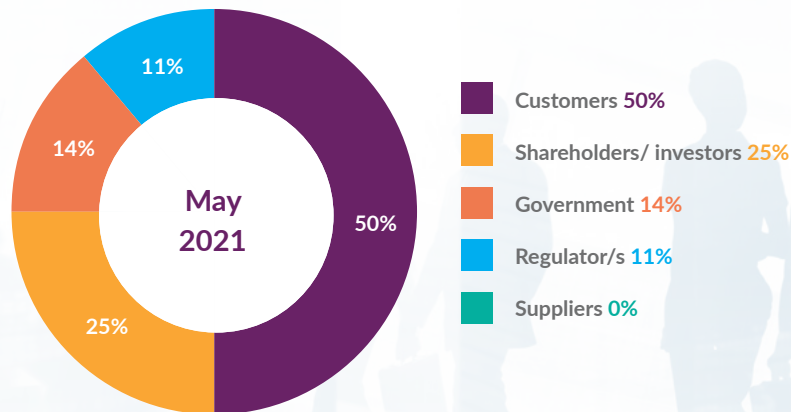


Stakeholders

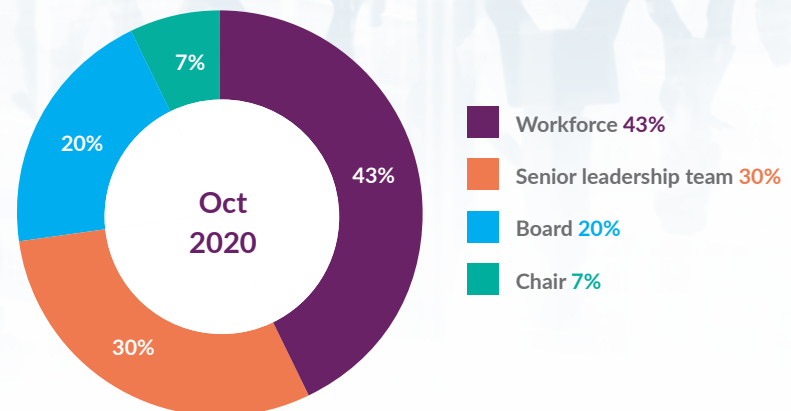
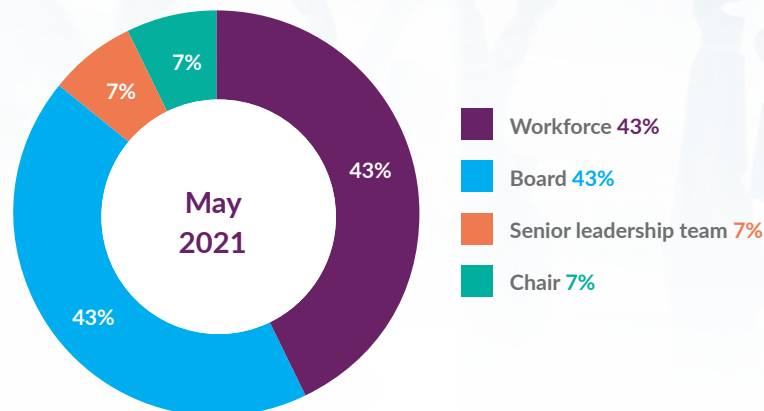
Criticleye provides the right reference points to manage and navigate increasingly important stakeholder relationships

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?

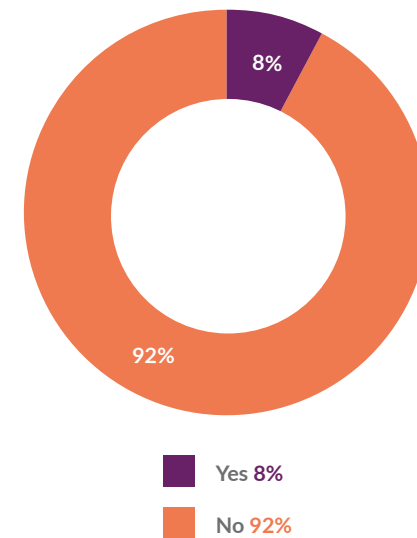


Who is your most challenging internal stakeholder?



**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	
1	▲	2	1	1	1	Seeking inspiration / fresh thinking from other sectors
2	▼	1	2	3	2	Building alignment in the senior leadership team
3	▶	3	4	2	4	Supporting innovation
4	▶	4	3	4	6	Ability to influence the Board
5	▶	5	5	6	5	Strategic thinking
6	▶	6	6	5	3	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

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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