Our latest CEO Outlook is being released amidst the rollout of the COVID-19 vaccine as CEOs continue to lead their organizations through a period of vast change and uncertainty.

Featuring insights from 500 CEOs at large companies around the world, including 140 in the United States, this edition provides a timely look at the key challenges and opportunities in driving business growth over the next three years and CEOs’ responses to the ongoing pandemic.

While economic uncertainty persists, many U.S. CEOs remain confident in the growth prospects of the domestic economy and their businesses and, in response to the pandemic, are shifting their organizations’ focus to the social component of their Environmental, Social and Governance (ESG) programs. CEOs recognize that achieving meaningful progress on diversity, equity and inclusion is an imperative.

The pandemic has altered customer expectations for the long term and CEOs are focused on sharply accelerating their efforts to create a seamless digital customer experience. Moving quickly in this area put their organizations years in advance of where they expected to be and many CEOs plan to continue to invest in technologies that will help bolster the customer experience.

CEOs also continue to lean into their values and purpose as they look to address the needs of their stakeholders. They are taking a range of steps to support their people and strengthen their organizations – with a big focus on employee well-being and mental health and sustaining corporate culture.

While the pandemic continues, CEOs are leading with courage, conviction and purpose and making critical investments that will position their organizations for future growth.

Paul Knopp
Chair and CEO
KPMG U.S.
Digital Acceleration and the Customer Experience

Compared to a year ago, CEOs said they plan to invest more in the following technologies:

- Digital communications (e.g., video conferencing and messaging platforms) - 55%
- Customer-centric technology (e.g., chatbots) - 54%
- Data security measures - 48%
- Artificial intelligence - 44%
- E-commerce or sales platforms - 33%

say the pandemic has sharply accelerated progress in creating seamless digital customer experiences

say a long term impact of the pandemic is that they plan to conduct customer engagement and queries predominantly via virtual platforms

ESG

say their focus will shift towards the social component of ESG programs in response to the pandemic

say the United States re-entering the Paris Climate Agreement will cause their company to have more stringent ESG practices

say the scrutiny of their organizations’ diversity performance will continue to increase over the next three years

say progress on diversity and inclusion has moved much too slowly in the business world

say there is still a huge amount to do to build more diversity on boards

want to lock-in the sustainability and climate change gains they have made during the pandemic

2021 KPMG U.S. CEO Outlook
Corporate Purpose

- 99% say their corporate purpose has helped them understand what they need to do to meet the needs of stakeholders.
- 94% say they use their corporate purpose to help drive action in addressing the needs of stakeholders.
- 99% feel a stronger emotional connection to their purpose since the pandemic began.

CEO Response to Pandemic

- 64% say they will increase HR resources dedicated to managing employee well-being and mental health.
- 53% plan to further increase the use of digital collaboration and communication tools.
- 37% say their organizations will implement more virtual interviews with potential employees.

CEOs took a range of steps to sustain their corporate cultures during the pandemic, such as:

- Increased visibility of leaders with employees: 49%
- Increased employee communications: 46%
- Greater focus on regulatory compliance: 48%
- Additional resources for employees to collaborate: 44%
The New Normal

When will your company return to a normal course of business?

- 19% Business is changed forever
- 52% Fall or winter of 2021
- 29% Sometime in 2022

Said their employees will be asked to inform the company once they’ve been vaccinated.

Said their business’ return to normal will rely on:

- 79% the encouragement of governments in key markets to lift COVID-19 restrictions
- 51% a successful COVID-19 vaccine rollout and adoption rate in key markets with more than half of the population vaccinated

Said their most pressing concerns regarding the distribution of the vaccine are:

- 51% geopolitical concerns pertaining to all employees in all countries having access to the vaccine at the same time
- 34% misinformation about the safety of the vaccine that would cause employees not to take it

The 2021 KPMG CEO Outlook Pulse Survey features insights from 500 CEOs at large companies globally ($500M+ in annual revenue), including 140 in the United States, who were surveyed about key challenges and opportunities in driving business growth over the next three years and CEOs’ responses to the ongoing pandemic.