



2021 Deloitte Global Resilience Report

Building the Resilient Organization | Germany

Global summary

- In the wake of a tumultuous 2020, Deloitte expanded its fourth annual Readiness Report beyond the scope of Industry 4.0 digital technologies to explore the broader concept of resilience. Deloitte surveyed **2,260 C-suite executives across 21 countries** to understand how organizations were coping with the unexpected challenges they faced in the past year and tap their opinions about what made their organizations more or less able to withstand disruption.
- The following deck examines **how Germany’s executives stand out from their global counterparts** on key themes. We surveyed **126 executives in Germany**.

KEY GLOBAL FINDINGS:

Many global CXOs believe disruption is here to stay. Our research reveals that resilient organizations – those consisting of flexible, adaptable, long-term, innovative mindsets and cultures – are better positioned to overcome disruptions and help usher in a “better normal” post pandemic.

- **Resilient organizations outperform in times of disruption.** Global leaders who said their organizations have done very well cultivating resilient cultures were about three times more likely than those lacking resilient cultures to say they weathered the events of 2020 well compared to peers/competitors.
- **2020 accelerated resilience for some; exposed gaps for more.** 2020 held organizations’ “feet to the fire” and was the prod many needed to fast-track technologies and processes. Yet, 66% of global CXOs still don’t feel completely ready to lead and 70% said they don’t have complete confidence in their organizations’ abilities to pivot and adapt to disruptive events.
- **Resilience is deliberate.** CXOs may not know exactly which threats are looming and when, but they can design organizations that are more likely to withstand and prosper through disruptions. Leaders of resilient organizations understand the below traits aren't immutable and don't just occur organically. They require desire, effort, investment, and action to cultivate and maintain.

We identified **five attributes of resilient organizations** that enable and promote nimble strategies, adaptive cultures, and the implementation and effective use of advanced technology. Businesses that can bounce back from unexpected challenges typically are:

-  **Prepared.** Most successful CXOs plan for all eventualities. Those organizations that successfully balance short- and long-term priorities feel they have pivoted effectively to adapt to the events of 2020.
-  **Adaptable.** Leaders recognize the importance of having versatile employees, especially after a year like 2020. To that end, flexibility/adaptability was, by far, the workforce trait global CXOs said was most critical to their organizations’ futures.
-  **Collaborative.** CXOs indicated the importance of collaboration within their organizations, noting that it sped decision-making, mitigated risk, and led to more innovation.
-  **Trustworthy.** CXOs understand the challenge of building trust. Those who are succeeding are those focusing on improving communication and transparency with key stakeholders and are leading with empathy.
-  **Responsible.** There is broad acknowledgment that business has a responsibility beyond profit. CXOs who did very well at balancing the needs of all their stakeholders also felt their organizations can quickly adapt and pivot in response to disruptive events.

Germany country profile

- We surveyed **126 executives** in Germany.

GERMANY BUSINESS PROFILE:



Number of employees

- <5K: **42%**
- 5K to 9,999: **17%**
- 10K to 19,999: **13%**
- 20K to 49,999: **15%**
- >50K: **13%**



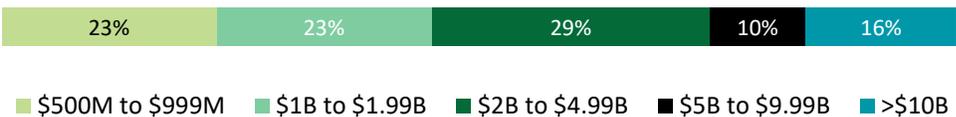
Annual growth

(over the next year)

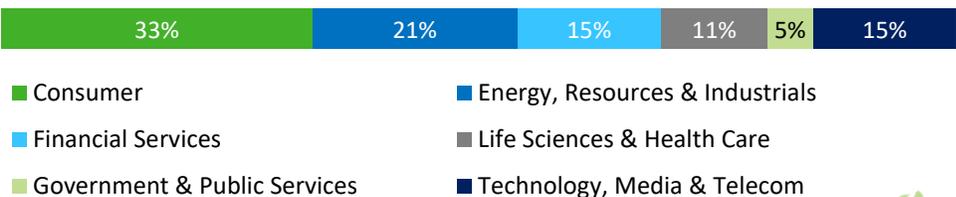
- Negative: **31%**
- 0% to 5%: **44%**
- 6% to 10%: **17%**
- 11+%: **8%**



Revenue

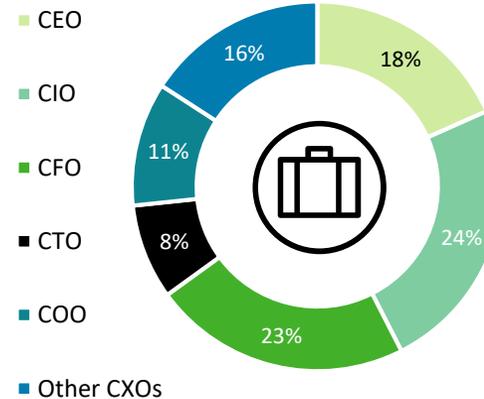


Industry

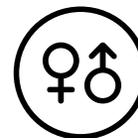
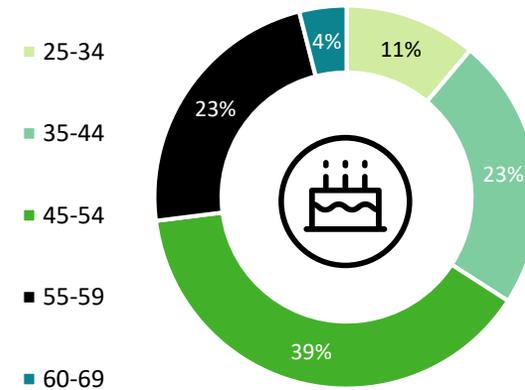


GERMANY RESPONDENT PROFILE:

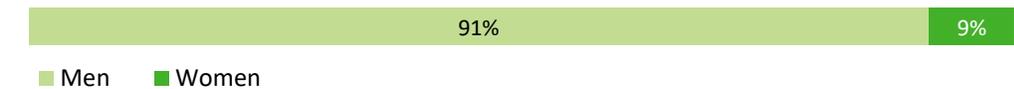
Job title



Age



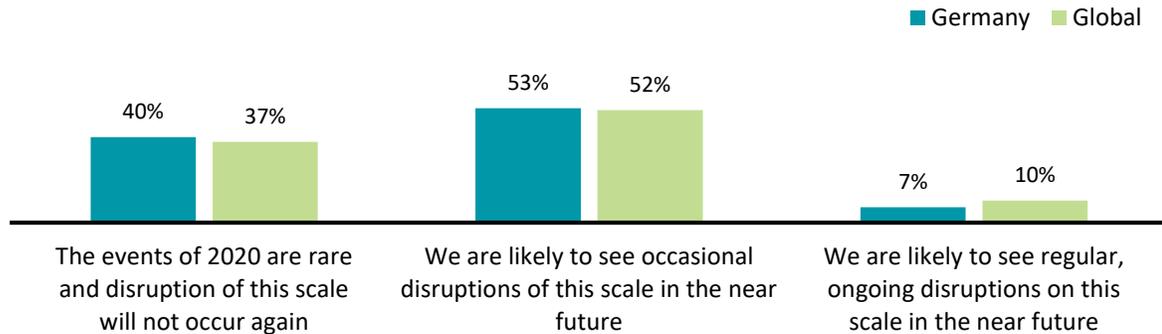
Gender



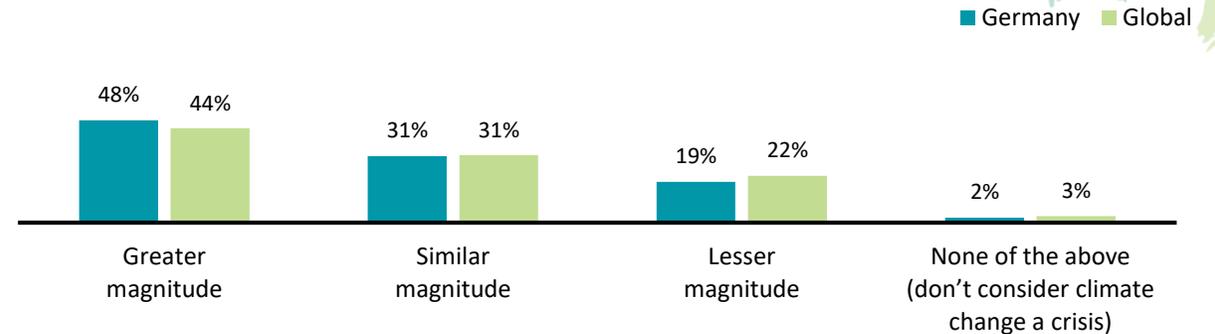
CXOs' attitudes about the future and confidence in managing disruption

- The majority of German executives are expecting occasional disruptions on this scale in the near future (similar to the rate of global executives overall).
- German executives are also slightly more likely than their global peers to believe the climate crisis is of greater magnitude than that of COVID-19.
- German executives are a bit less confident in their own ability to lead through uncertainty and their organization's ability to pivot in response to disruption – compared to their global peers.

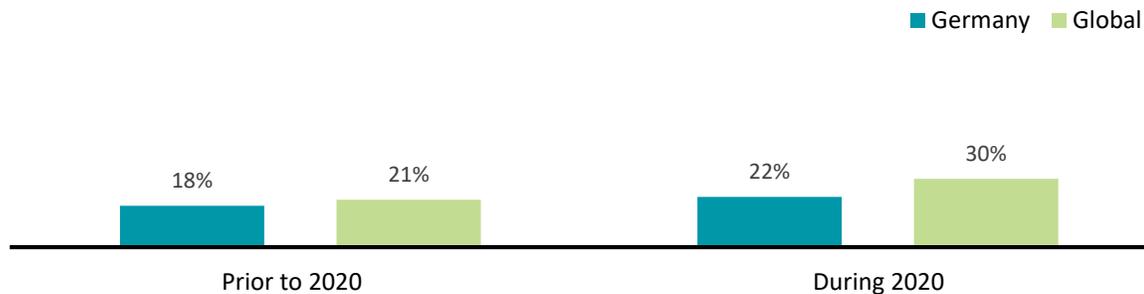
CXOs' views of 2020:



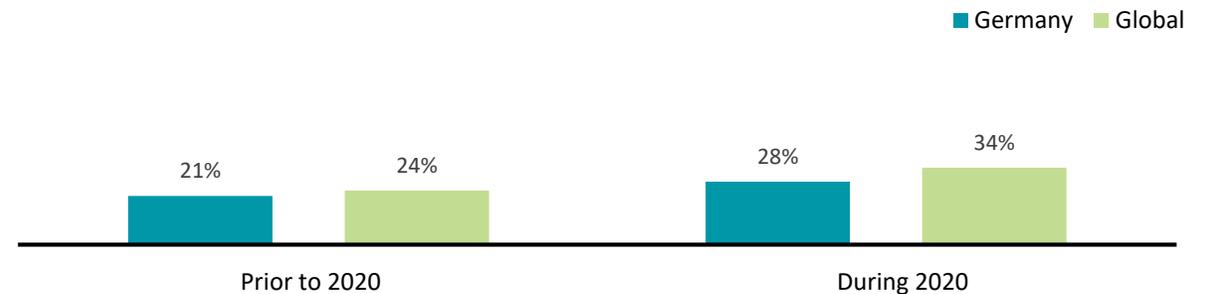
Is climate change a crisis of greater, lesser or similar magnitude compared to the COVID-19 crisis?



% of CXOs who **completely agreed** with the statement, "I felt/feel my organization could/can quickly adapt and pivot in response to disruptive events":



% of CXOs who **completely agreed** with the statement, "I felt/feel ready to lead my organization through any uncertainty or disruption that may arise":



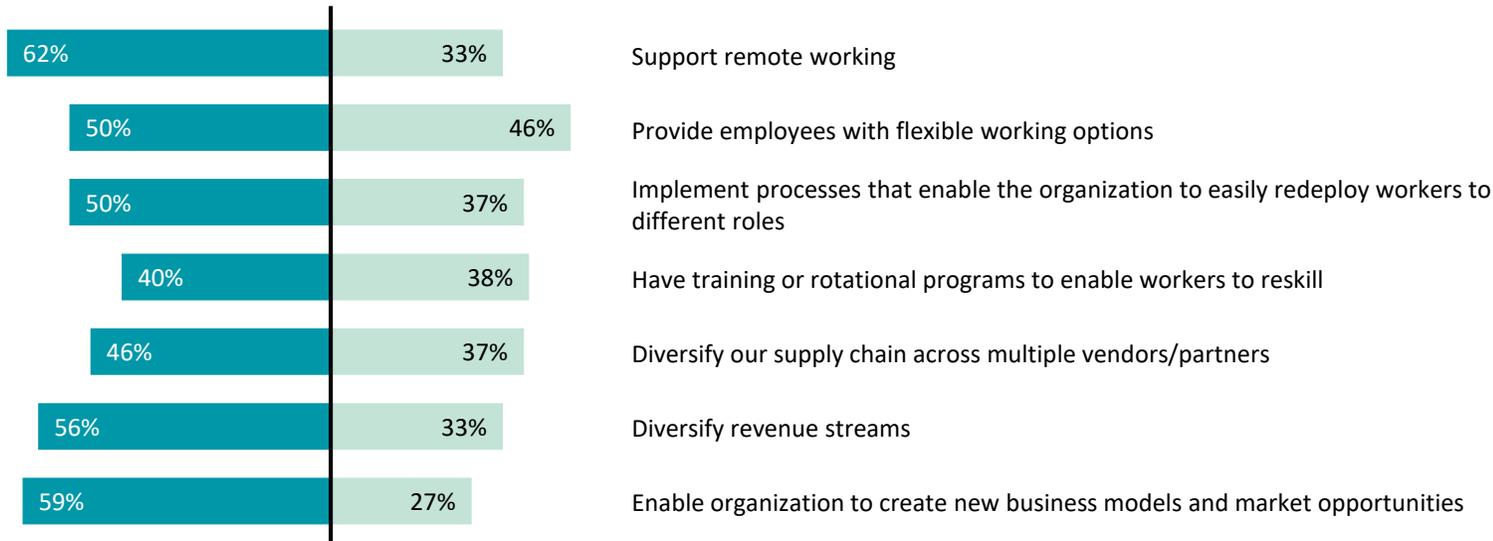


Prepared

- Like their global counterparts, German executives who took specific actions PRIOR to 2020 (or are in progress), seem to be better weathering the events of 2020 compared to their peers.
- German executives lag global executives in saying they've done well/very well at balancing short- and long-term priorities.

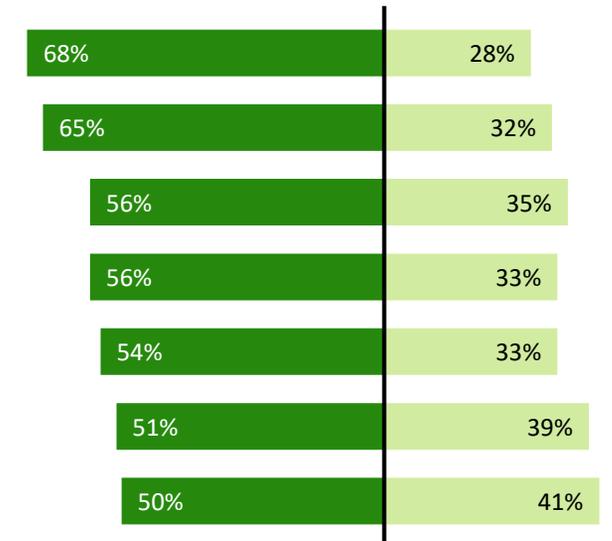
% of CXOs who said their organizations are weathering the events of 2020 well/very well, as compared to their competitors/peers:

■ Done prior to 2020 or in progress (Germany) ■ Planning to do in the next 5 years (Germany)

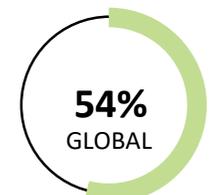


Key actions CXOs say their organizations have taken or plan to take

■ Done prior to 2020 or in progress (Global) ■ Planning to do in the next 5 years (Global)



% of CXOs who said their organizations have done well/very well at balancing short- and long-term priorities:

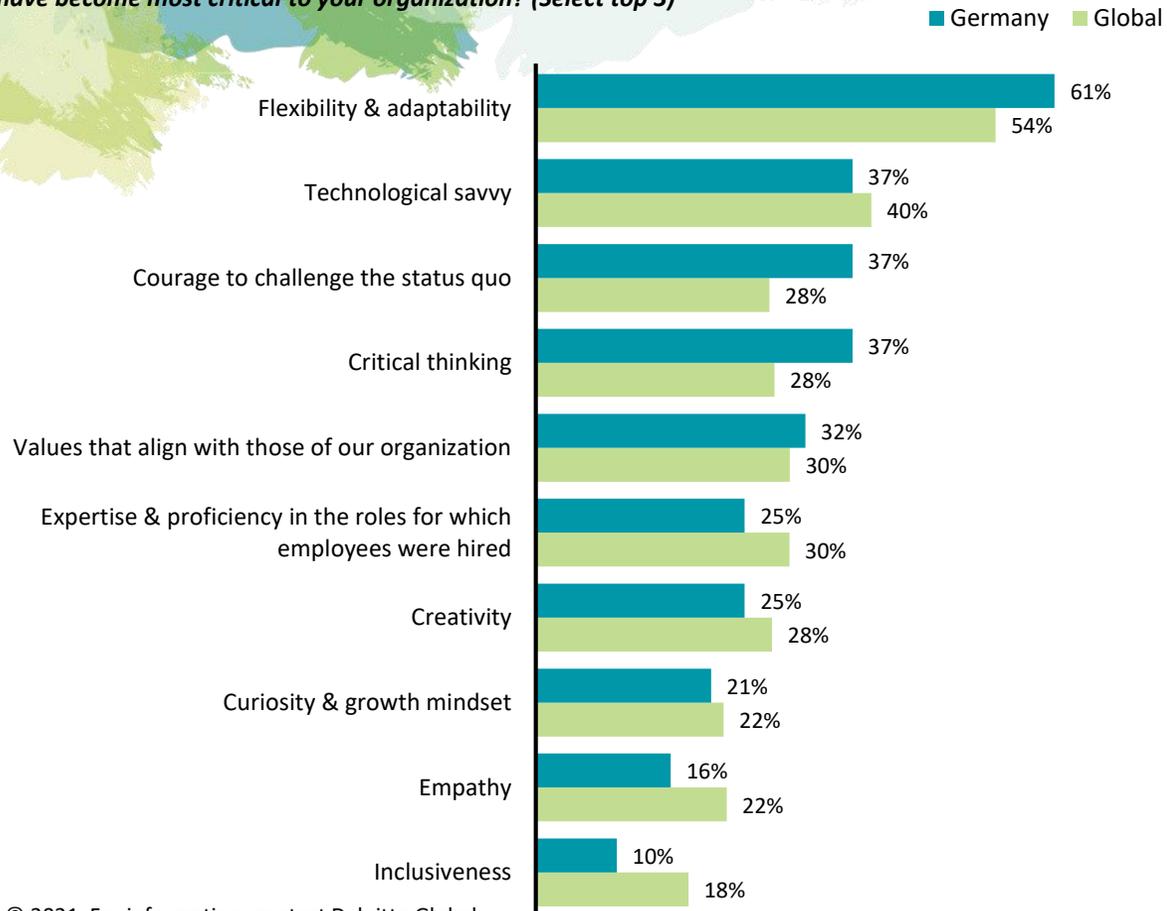




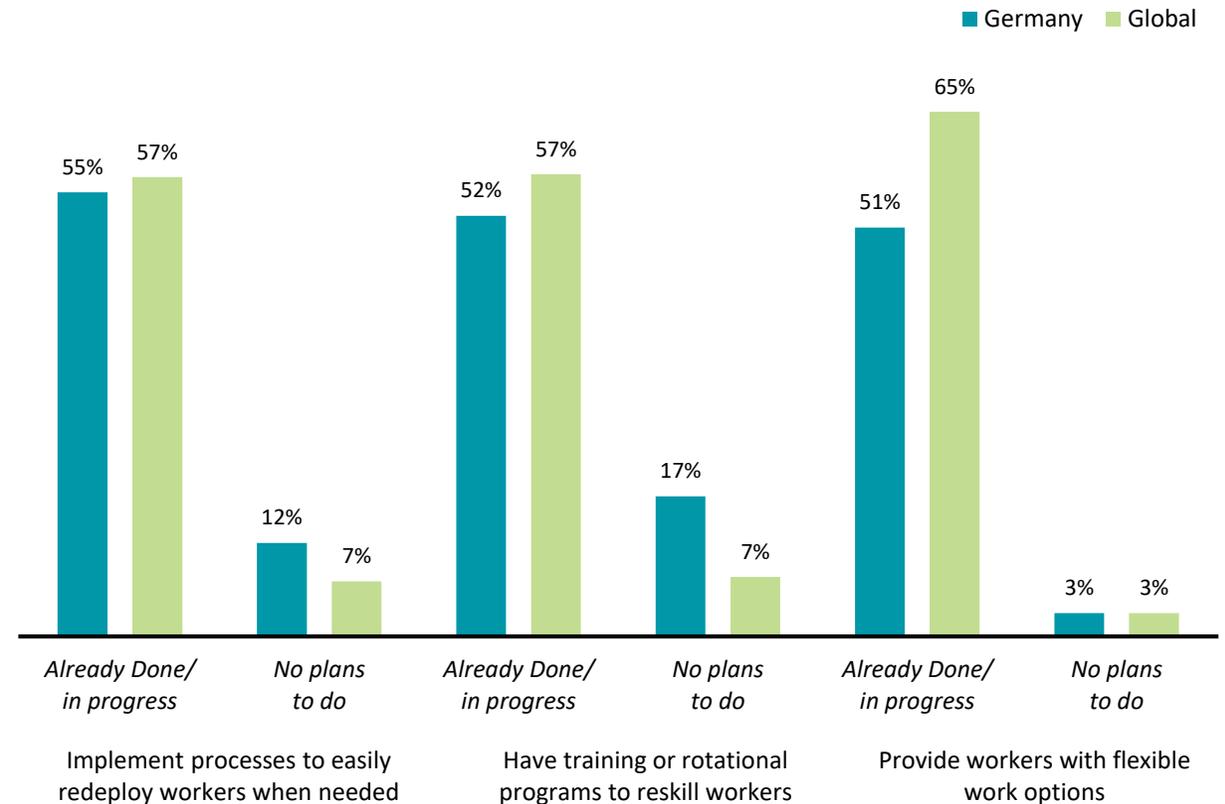
Adaptable

- Similar to the global response, flexibility/adaptability is the most sought-after workforce trait in Germany (even higher than the global average); courage to challenge the status quo and critical thinking also trend higher in Germany compared to the global average.
- Those who have cultivated resilient cultures also tend to support flexible workforces much more than those who have NOT cultivated resilient cultures. But providing flexible work options is not as relevant for German executives (compared to their global peers).

Given the events of 2020 and planning for the future, which of the following workforce traits have become most critical to your organization? (Select top 3)



% of CXOs--who said they have cultivated resilient cultures (well or very well) --indicating whether their organizations have implemented the following flexible workforce actions



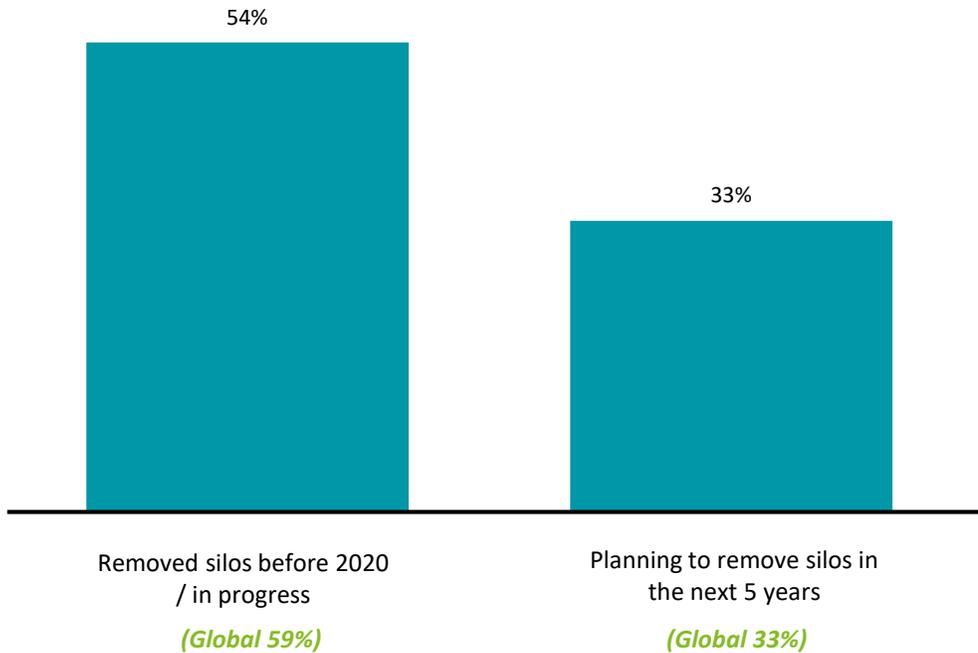


Collaborative

- German organizations that removed silos before or during 2020 have done better weathering the events of 2020 than their peers who have yet to do so.
- More German organizations had put remote work technology in place prior to 2020; 81% of those who ALREADY did invest in these technologies BEFORE 2020 indicated they were able to quickly adapt and pivot in response to disruption.
- Once the pandemic and lockdowns end, German CXOs expect a similar percentage of their workforce to remain remote compared to global executives.

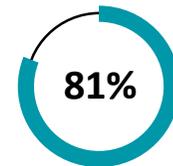
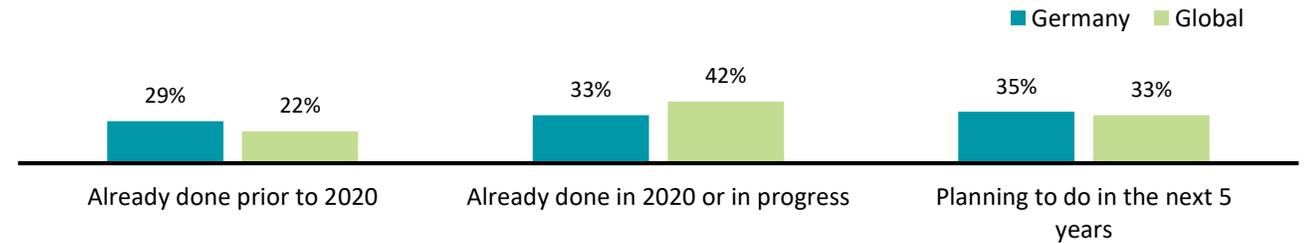
COLLABORATION WITHIN THE ORGANIZATION:

% of CXOs in Germany--who said their organizations have done well/very well weathering the events of 2020 compared to competitors/peers--indicating whether they've removed organizational silos:



TECHNOLOGY THAT ENABLES COLLABORATION:

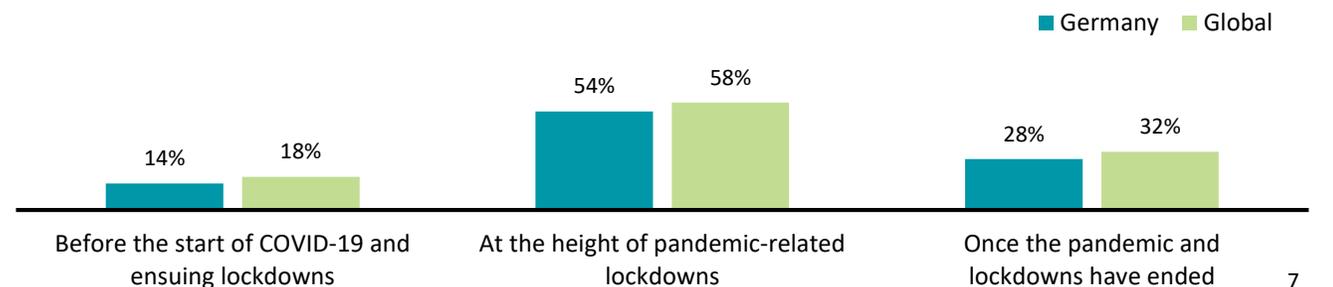
Timeframe for having technology in place to enable remote work:



CXOs in Germany who said they had invested in technologies and systems that support remote working **PRIOR TO 2020** and also said they could quickly adapt and pivot in response to disruption (**79% Globally**)

Remote work will likely be **much more common post-pandemic** than pre-pandemic globally.

% of workforce who worked or are expected to work remotely:

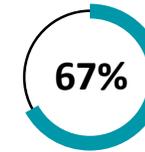
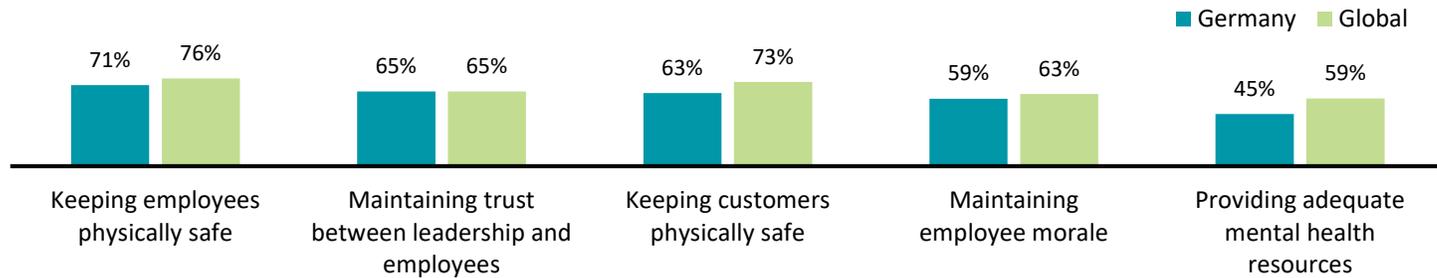


Trustworthy

- German executives lag their global peers for most of the trust metrics – most notably providing adequate mental health resources and keeping customers safe.
- Digital trust metrics also lag in Germany compared to the overall global average.

PHYSICAL AND EMOTIONAL TRUST:

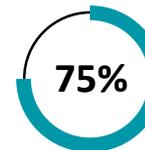
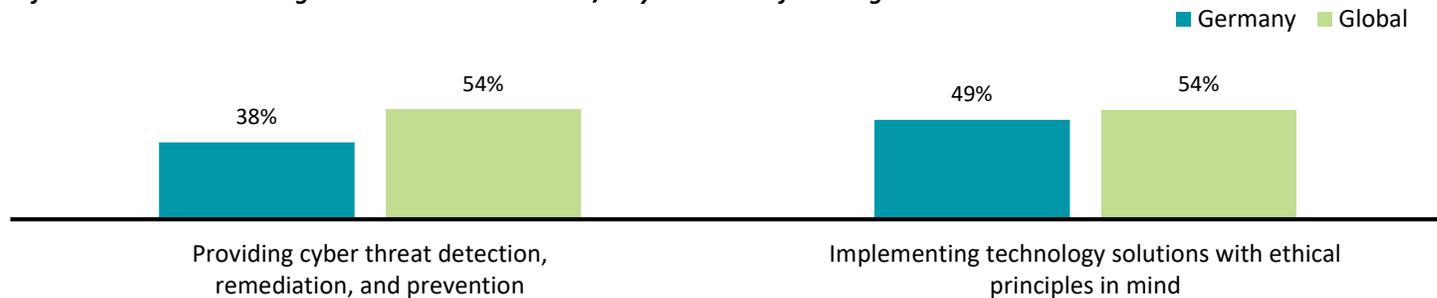
% of CXOs who said their organizations have done well/very well in the following areas in 2020:



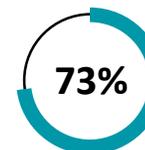
CXOs in Germany who believed they had kept their employees and customers safe and also said their organizations had done well/very well weathering the events of 2020 (65% globally)

DIGITAL TRUST:

% of CXOs who said their organizations have done well/very well in the following areas in 2020:



CXOs in Germany who said their organizations had done well/very well providing cyber threat detection, remediation, and prevention and also said their organizations had done well/very well weathering the events of 2020 (69% globally)



CXOs in Germany who said their organizations had done well/very well implementing ethical technologies and also agreed somewhat/ completely that they adapted and pivoted well in response to disruptive events of the past year (78% globally)

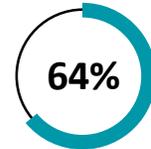
Responsible

- German CXOs are behind the global executive average in the areas of diversity and inclusion (by nearly 10 points in each measure). They also rated themselves lower than global peers in honoring commitments to society and the environment.
- German executives also indicate lower scores for authenticity metrics (particularly for ESG transparency).

SUPPORTING EMPLOYEES:



CXOs in Germany who said their organizations had done well/ very well creating inclusive cultures and also said their organizations had done well/ very well creating agile cultures (**76% globally**)

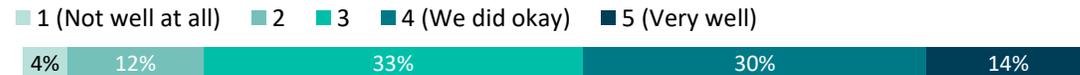


CXOs in Germany who said they believed their organizations had done well/ very well employing a diverse workforce and also said their organizations had done well/ very well creating agile cultures (**73% globally**)

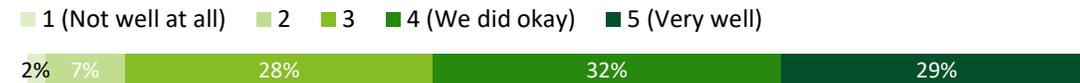
SUPPORTING SOCIETY:

CXOs rated how well their organizations have done honoring societal commitments:

Germany Results:

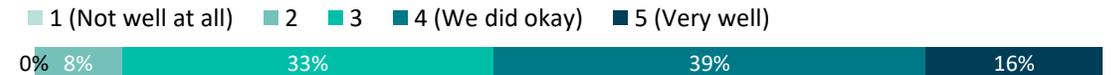


Global Results:



CXOs rated how well their organizations have done honoring environmental commitments:

Germany Results:

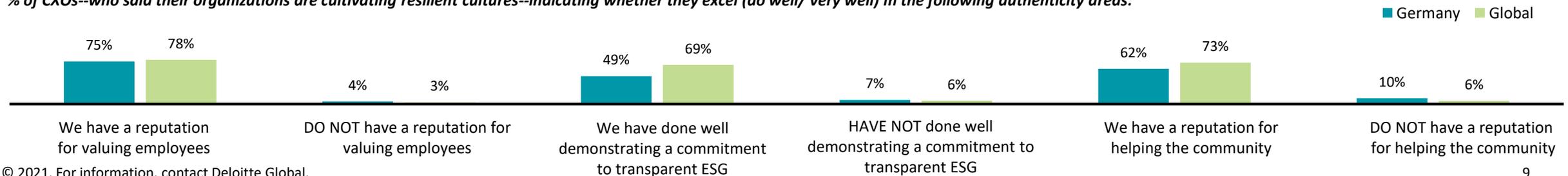


Global Results:



DEMONSTRATING AUTHENTICITY:

% of CXOs--who said their organizations are cultivating resilient cultures--indicating whether they excel (do well/ very well) in the following authenticity areas:

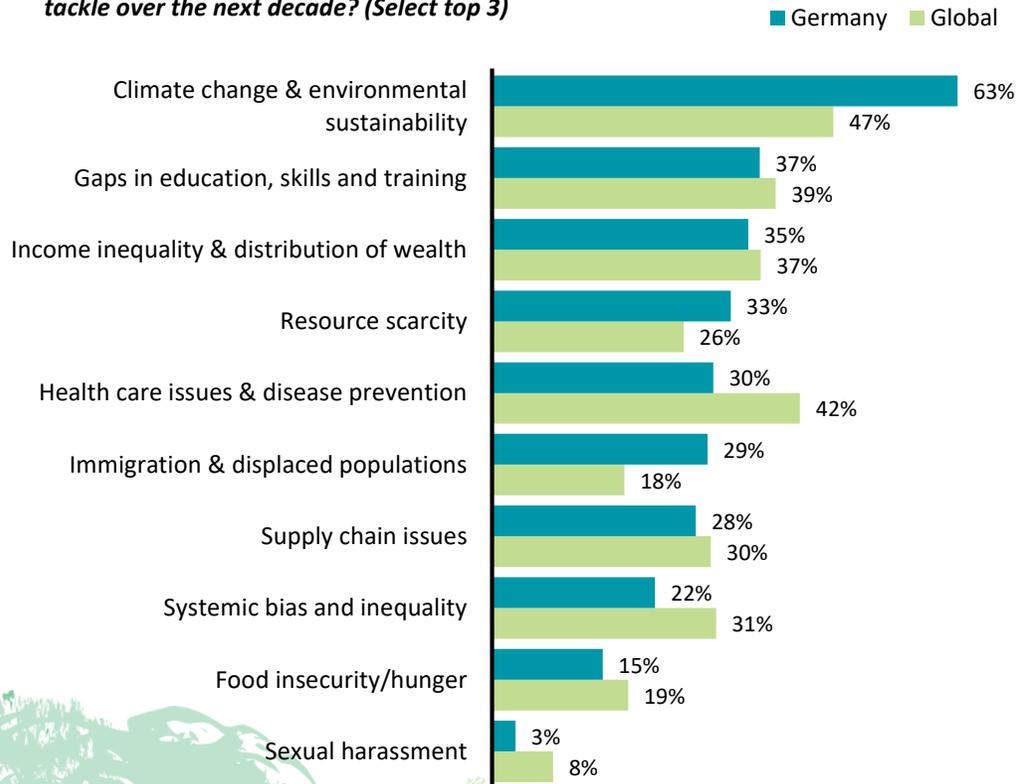




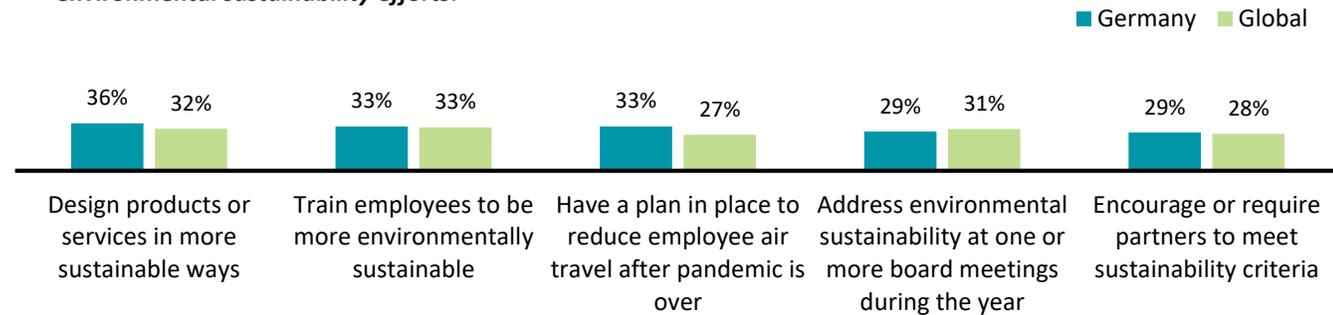
CXOs' perceptions of top societal issues

- While climate change was the top issue for global executives, it is even MORE critical for German executives. They are less concerned about health care/disease prevention than the global average.
- German executives tend to be on par with their global peers in terms of progress for most of the activities related to environmental-sustainability efforts and efforts to alleviate systemic bias.

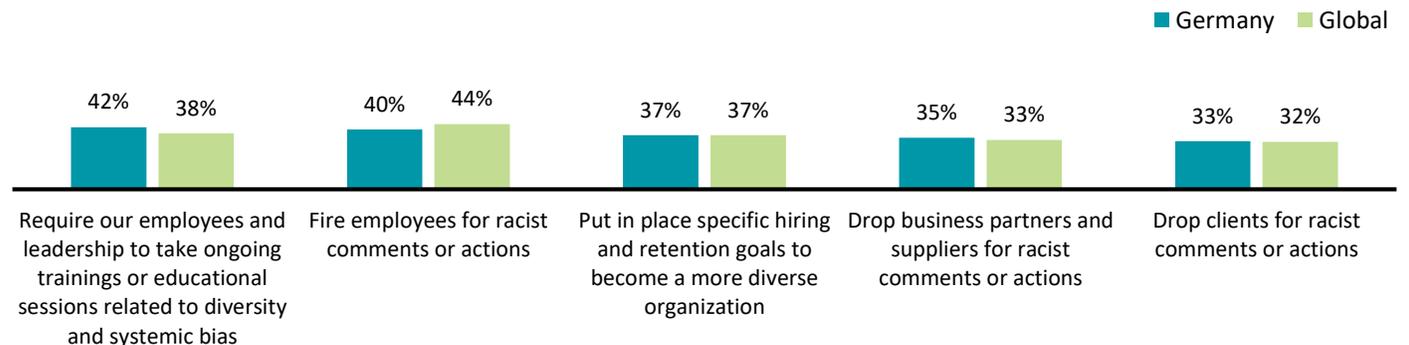
Which of the following societal issues do you believe will be the most critical for business to tackle over the next decade? (Select top 3)



Top-five actions organizations in Germany have already done or are currently doing as part of their current environmental sustainability efforts:



Top-five actions organizations in Germany have already done or are currently doing as part of their efforts to alleviate systemic bias and inequalities within their organizations or beyond:





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