



Fall 2023 Fortune/Deloitte CEO Survey Insights

Building for resiliency amid disruption

While the majority of surveyed CEOs (88%) continue to expect some organizational growth over the next 12 months, the Fall 2023 survey shows a tempered outlook on the global economy, their industry, and their company performance. The CEOs surveyed also say that maintaining growth is one of the biggest challenges they face today. Regulation emerged as one of the top external business disruptors, joining geopolitical instability, inflation, other sources of financial/market instability, and labor/skills shortage, which have remained the top disruptors since the February 2023 survey.

In such a complex global environment, CEOs need to sift through uncertainty to identify ways to build resiliency and paths for value in the long term. Potential avenues for both short- and long-term growth include Generative AI with its immediately practical value applications, and purpose, diversity and inclusion initiatives for their ability to inspire workforces and recruit key talent. Below are highlights from the most recent Fortune/Deloitte CEO survey.

Key takeaways



Growth and outlook

The majority of CEOs expect some level of organizational growth over the next 12 months while their outlook for the global economy, their industry, and company performance has moderated.



Disruptors

Concerns about geopolitical instability, inflation, other sources of financial/market instability, and labor/skills shortage continue while regulation surfaces as a top concern for CEOs.



Generative AI

Adoption rates increased slightly since June with half of CEOs having implemented Gen AI in limited production use, at scale production, or pervasive adoption.



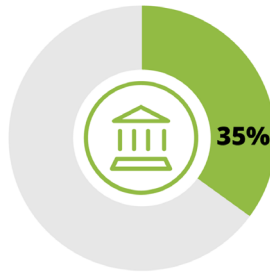
People, purpose, and climate

CEOs are focused on climate/ sustainability and DEI reporting along with workplace measures like employee resource groups and individual sustainability actions.

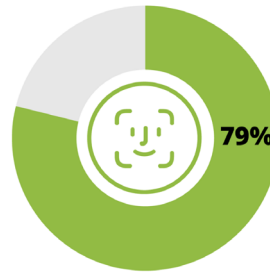
Statistics that stand out



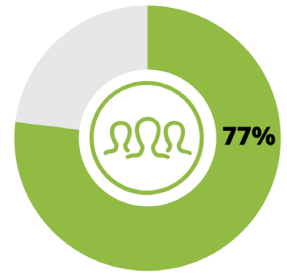
are optimistic or very optimistic about their company performance over the next 12 months



say regulation has become a top challenge alongside geopolitical instability, inflation, other sources of financial/market instability, and labor/skills shortage



say accelerating innovation is one of the top use cases for implementing Gen AI



report attracting and retaining talent is a key driver of their organization's commitment to purpose and social impact

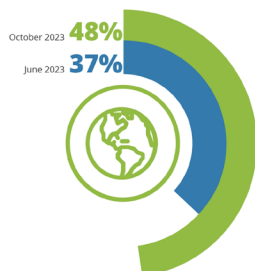
“While CEOs face growing complexity, uncertainty, and headwinds, they are seeking opportunities to build resiliency, drive new growth, and increase efficiencies through Gen AI while managing risk. At the same time, providing a meaningful workplace experience and attracting and retaining talent are top of mind as they balance initiatives related to purpose, social impact, climate and sustainability, and DEI.”

- Jason Girzadas, CEO, Deloitte US

Growth and outlook: While CEO outlooks have moderated, they still expect growth for their companies and industries.

CEOs continue to express fairly tempered views on growth, with an eye on economic forces and headwinds in the coming year while balancing priorities to maintain both short- and long-term growth. A decrease in optimism toward company and industry performance, combined with an overall increase in pessimism, particularly towards the global economy, suggests CEOs are moderating their outlook overall.

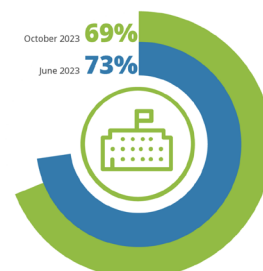
Key statistics



are pessimistic/very pessimistic about the global economy



are optimistic/very optimistic about their industry's performance



are optimistic/very optimistic about their company's performance

“Achieving profitable growth with fewer resources against market and industry headwinds.”

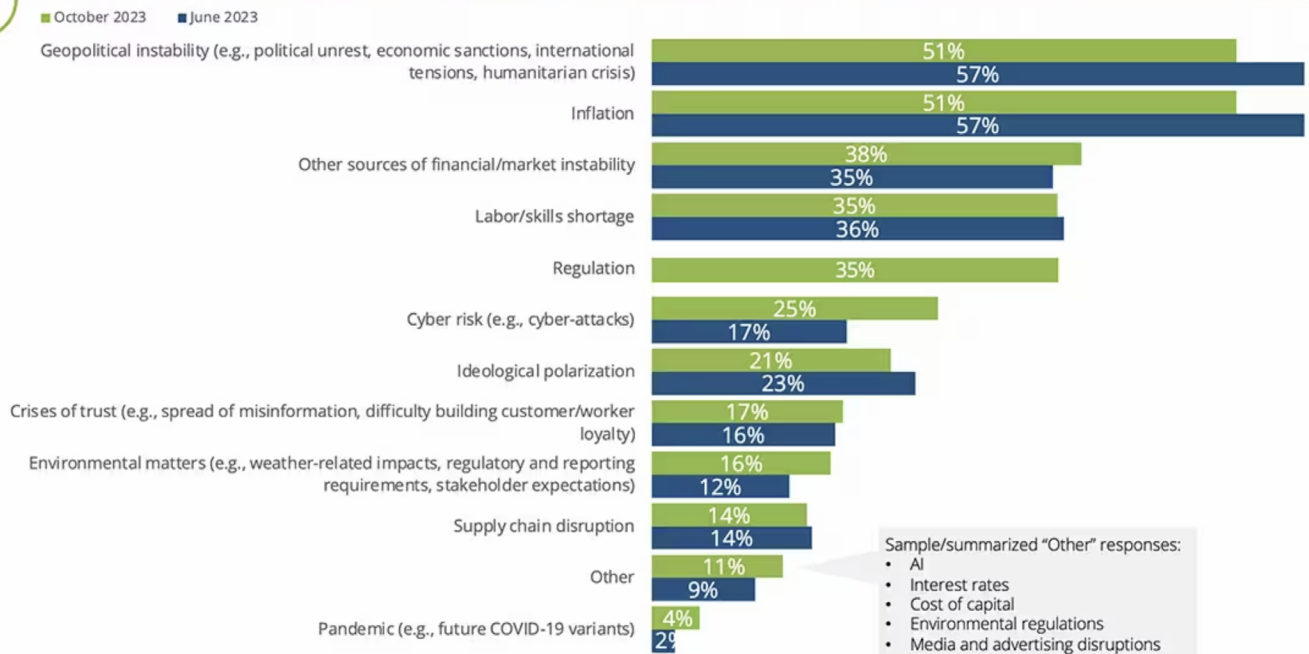
- A CEO respondent when asked about the biggest challenge they face as a CEO today

Disruptors: Geopolitical instability, inflation, other sources of financial/market instability, and labor/skills shortage continue to lead top disruptors while regulation emerges as a top concern.

Geopolitical instability and inflation continue to lead the list of external disruptors – both at 51%. Other sources of financial/market instability (38%) came in third, and regulatory issues joined the top four disruptors for CEOs, at 35%, tied with labor and skills shortage. While top disruptors may inform market sentiment, CEOs report high confidence in their organizations’ ability to navigate the pressure of disruptors on their business.



What external issues do CEOs expect to influence or disrupt their business strategy within the next 12 months?



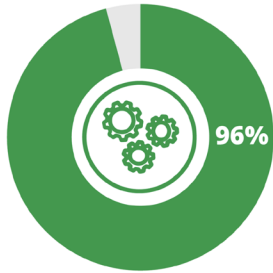
- Sample/summarized “Other” responses:
- AI
 - Interest rates
 - Cost of capital
 - Environmental regulations
 - Media and advertising disruptions

Note: For October 2023 we added “Regulation” as a response option.
 Note: CEOs were asked to select their top 3.

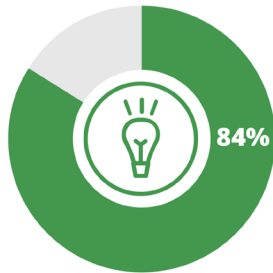
Generative AI: CEOs shifting from experimenting and evaluating to increasing adoption.

Almost half (49%) of surveyed CEOs are experimenting with or evaluating Gen AI—similar to June’s results (55%). More importantly, an increasing number of CEOs indicate their organization has moved to adoption in just a few months, with a 10-percentage-point increase in limited production use and 6% increase in at-scale production. As the technology rapidly matures, CEOs appear to be embracing Gen AI as a tool for the future and are exploring opportunities to both create efficiencies and open up new value in their organizations.

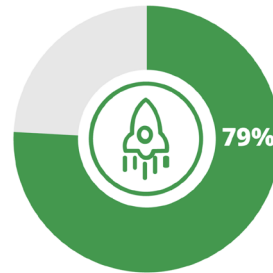
Key statistics



are implementing or likely to implement Gen AI to **increase efficiencies**



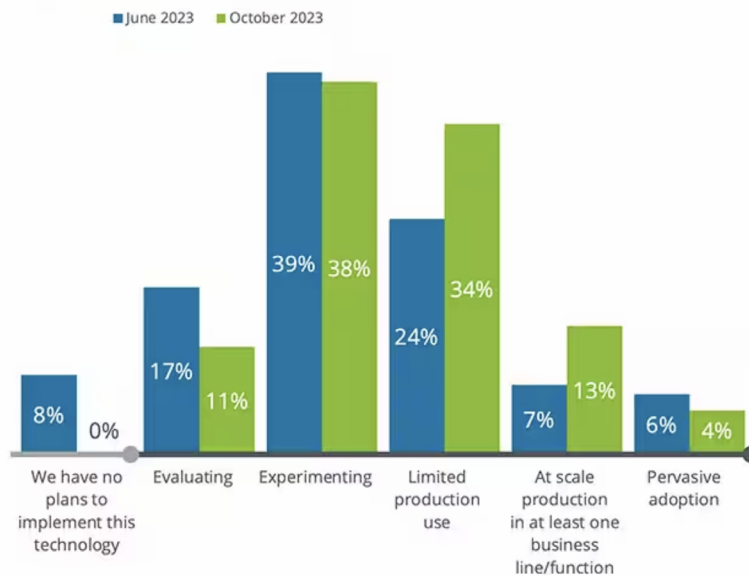
are implementing or likely to implement Gen AI to **discover new ideas and insights**



are implementing or likely to implement Gen AI to **accelerate innovation**



Please indicate your organization’s current level of adoption of Generative AI:



Note: Due to rounding, percentages may not always appear to add up to 100%.

“The biggest challenge I face is the need for the organization to move faster, with more urgency in Gen AI and with technology and digital transformation.”

– A CEO respondent when asked about the biggest challenge they face as a CEO today

People, purpose, and climate: People and talent are a major driver for purpose-related initiatives, as CEOs focus on sustainability measurement and reporting.

CEOs are reporting that attracting and retaining talent are drivers behind their organizations' purpose and social impact (77%) and DEI initiatives (78%). Further, more than half (58%) believe their organization's commitment to purpose and social impact contributes to meaningful workplace and leadership experiences. While the percentage of CEOs reporting that DEI is built into their strategic priorities fell since June 2022, it still remains high at 65%, slightly higher than June 2021. CEOs are prioritizing DEI reporting to employees (66%) and establishing employee resources groups (66%), and 44% of CEOs reported that their organizations are disclosing DEI metrics to the public, up from 33% in June 2021.

Climate and sustainability initiatives are also a key focus area for more than half of CEOs, with nearly 60% focused on climate and sustainability measurement and reporting, 58% investing in sustainability in their physical workspaces, and 51% investing in emissions reductions across the value chain.

Key statistics



“Transforming the workforce to embrace disruptive technology and gaining proficiency in recruiting successful talent from outside the firm (versus home grown).”

– A CEO respondent when asked about the biggest challenge they face as a CEO today

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