



## 2021 Fortune/Deloitte CEO Survey

The Chief Executive Program reveals CEO top priorities

The Fall 2021 installment of the Fortune/Deloitte CEO Survey finds that CEOs have market growth, talent, and climate top of mind.

### Building on hope: Forging ahead

[At the beginning of this year](#), CEOs described 2021 as the year of hope. In [June](#), CEOs indicated bold plans for growth and transformation in anticipation of a postpandemic world. Now, CEOs believe that the business effects of the pandemic will continue beyond 2021—and they are nevertheless determined to forge ahead.

In the latest Fortune/Deloitte CEO Survey, fielded September 14–22, 2021, 117 leading CEOs representing more than 15 industries share a perspective on market growth, talent, climate, and more. Highlights follow.

### Peace with the pandemic?

Much has happened in the four months since the Summer 2021 edition of the Fortune/Deloitte CEO Survey. CEOs have taken note of both new and enduring challenges, but they seem generally undeterred from their mandate to drive growth and attract and retain talent.

When asked in June 2021 if CEOs believe that the business effects of the pandemic would largely be over by the end of 2021, they were almost evenly divided. A slim majority said yes. Slightly less than half said no.

Expectations for business growth remain strong, as investments in digital transformation and innovation continue to drive a positive economic outlook. Attracting and retaining talent in a tight labor market has ascended to the top of CEOs' list of strategic priorities, further reinforcing the imperative of infusing purpose and stepping up commitments to help solve complex societal issues such as climate change.

— Joe Ucuzoglu, Chief Executive Officer,  
Deloitte US

Four months later, no doubt with the Delta variant top of mind, CEOs have adjusted their expectations. Down from 53% in June 2021, 11% now say that the business effects of the pandemic will be over for their organizations by the end of 2021, 23% say by mid-2022, and 35% say by the end of 2022. Nearly a third of surveyed CEOs do not see business effects ending in the “foreseeable future.”

Even so, a strong majority of CEOs continue to have a bullish outlook, with only a minor downsizing in expectations for growth. Down from 77% in June 2021, two-thirds of CEOs expect their organization’s growth to be “very strong” or “strong” over the next 12 months. Just less than a third expect “modest” growth, and a fractional 3% expect “weak” growth. Approaching two years into the pandemic, depending on geography, perhaps CEOs are confident that their organizations have already adjusted and adapted to a “new normal” marked by the enduring uncertainty of COVID-19.

What external issues do CEOs expect to influence or disrupt their business strategy within the next 12 months? When asked for their top three, it comes as no surprise that 70% of CEOs select epidemics/pandemics (such as future COVID-19 variants). But an even greater percentage of CEOs, nearly three-quarters, select labor/skills shortage. While more than four out of five CEOs said in June 2021 that cybersecurity was moderately or highly relevant to their CEO agenda, less than 30% of CEOs name cyber risk in their top three issues today. And 28% of CEOs name geopolitical instability (e.g., political unrest, international tensions). Less than 20% of CEOs name ideological polarization, financial/current market instability, natural disasters, or crises of trust in their top three.

### Talent: Still the challenge of the times

When CEOs were asked in June 2021 about the biggest challenge they faced, a quarter of the responses pointed to talent. Asked the same question four months later, consensus is even stronger. Nearly half of the responses refer to talent: For example, “the war for talent,” “attracting top talent,” “developing the workplace, workforce, and work plan for the new normal,” and “maintaining forward momentum with an exhausted global workforce.”

Asked separately about the top three challenges to their organization’s talent and workforce goals, the majority of CEOs name attracting and recruiting talent (57%), designing a post-pandemic workplace (53%), and retaining talent (51%). Building a diverse, equitable, and inclusive workforce is also high on the list of challenges for 43% of CEOs.

What actions have CEOs taken to strengthen their ability to attract and retain talent in the past 12 months? Their responses indicate they’ve tried a lot, from offering more time off to more training and development to more pay. Four out of five CEOs (80%) have increased flexibility around work. A majority of CEOs say they have also increased emphasis on corporate purpose (68%); focus on DEI (68%); emphasis on well-being and mental health (65%); and attention to culture (58%). Exactly half have given more emphasis to ESG (environmental, social, and governance), half have increased pay, and just more than a quarter have distributed one-time retention bonuses.

### Climate comes into focus

The climate agenda appears to be coming into sharper focus for CEOs. An overwhelming majority, 90% of surveyed CEOs, agree that climate change needs to be addressed urgently, and 86% of CEOs believe that their organization can play a positive role in addressing climate change.

Furthermore, a strong majority of CEOs *disagree* that executing on their climate agenda will negatively affect either their short-term growth (68%) or their long-term shareholder value (76%). In fact, more than 70% of CEOs agree that, more than not, their investors support a proactive climate agenda, and three-quarters of CEOs say their organization is collaborating externally to advance collective action on climate.

CEOs also see benefits vis-à-vis talent: 85% agree that executing on their climate agenda will positively affect their ability to attract, retain, and engage their workforce.

Skeptics will note, however, that 29% of CEOs say their organization does not have a plan to reach net-zero global carbon emissions. On the bright side, 70% of CEOs say that their organization will reach net-zero carbon emissions by 2050 (the deadline shared by climate scientists and the United Nations to avoid surpassing the 1.5 degrees Celsius warming threshold), including a handful of surveyed CEOs (4%) who say they have already achieved that goal. Slightly less than 30% say their organization will reach net-zero carbon emissions by 2030, more than 15% by 2040, and more than 20% by 2050.

Notably, the 45% of CEOs who have a plan to reach net-zero carbon emissions by 2030 or 2040 is consistent with the 46% of CEOs who said in June 2021 that their organizations were undergoing or preparing for sustainability-focused strategy transformation.

When asked where they anticipate incurring the most significant costs related to their climate goals, roughly a third of CEOs say it will be the cost to transform their overall business model and value chain. In second place, carbon offsets are expected to be the most significant cost for 21% of CEOs.

### The role of the CEO: The CEO perspective

The environment in which CEOs are leading their organizations today seems to be getting more complicated and complex by the minute. What are the implications for the CEO role?

Survey respondents were asked to describe their role as CEO in one to three short statements. What they share distills something enormous into something powerfully straightforward and clarifying (which, as they indicate themselves, is their job, after all). The top four themes represented in their responses are: leading talent (42%), setting strategy (38%), championing culture (31%), and vision (29%).

What follows is a sampling of verbatim answers. A large number choose to describe their CEO role in terms of other roles, many of which touch on culture and communication:

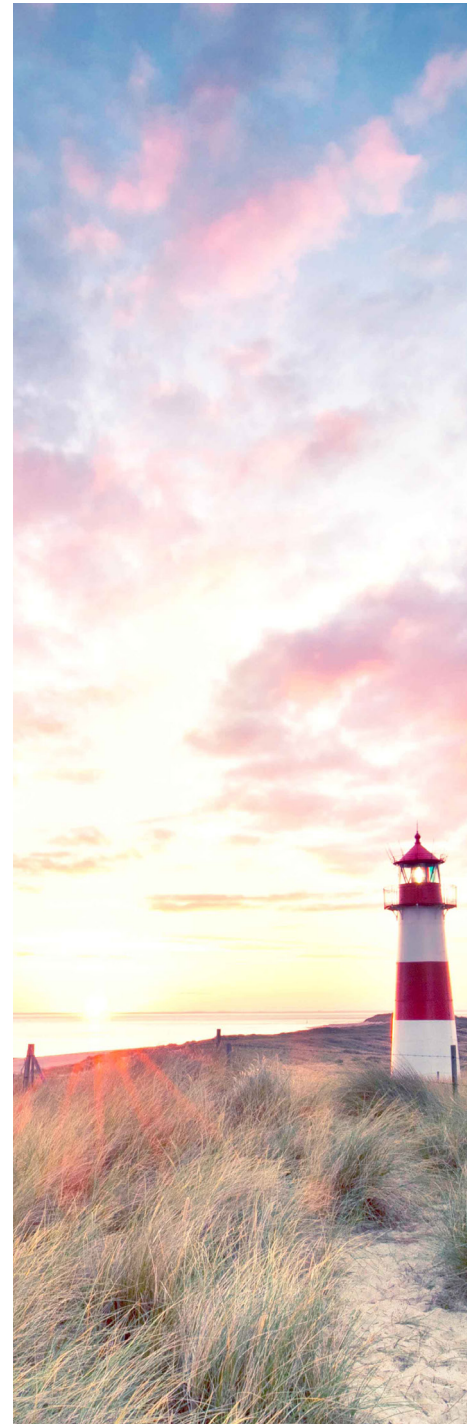
- *Chief morale officer. Chief culture builder. Chief strategist.*
- *Chief clarity officer. Owner of the people agenda. Visionary and strategist.*
- *One part coach, one part philosopher, one part execution leader.*

Others name a set of key actions, a focus, or even a kind of purpose for their role:

- *Lead strategy. Make tough decisions. Set priorities. Foster culture.*
- *Form great teams, set the objectives, help the teams succeed, work on succession plans.*
- *Building collective intelligence. Making our organization at ease with complexity.*
- *Stakeholder management: customers, employees, owners, and communities.*
- *Create the conditions for other leaders to unleash their superpowers.*
- *Run the complaint department and create the aspiration mojo.*

And lastly:

- *A privilege.*



View key highlights from the [survey](#)

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