Fortune/Deloitte CEO Survey
January 2021 Highlights

Over the first two weeks of January, more than 100 CEOs participated in a Fortune/Deloitte CEO Survey, the third in a series covering the pandemic and events of 2020.

CEOs predict revenue to return faster than employees

Seven of ten CEOs state that their revenues and employees never declined, already recovered, or will recover to pre-crisis levels by June 2021.

When do you predict that the following will return to pre-crisis levels?

- **Employees**
  - 36% Never declined
  - 43% Already returned or exceeded
  - 15% Jan '21
  - 14% Jan '22
  - 11% Jun '22
  - 6% Not in foreseeable future
  - 4% Not in the foreseeable future

- **Revenues**
  - 23% Never declined
  - 35% Already returned or exceeded
  - 12% Jan '21
  - 17% Jan '22
  - 17% Jun '22
  - 9% Not in foreseeable future
  - 4% Not in the foreseeable future

Note: Due to rounding, percentages may not always appear to add up to 100%. Analysis includes significant industries with more than 5% representation in the sample.

Most industries anticipate recovery by January 2022

CEOs from the Power, Utilities & Renewables and Consumer Products & Retail industries are more optimistic about a full recovery by June 2021.

Anticipating reduced office space requirements

CEOs anticipate reduced requirements for office space and business travel compared to 2019 levels.

- Less office space required than before the pandemic: 76%
- No change: 21%
- More office space required than before the pandemic: 6%

CEOs expect

- 26% less office space needs in 2022, compared to 2019 levels. In contrast, Industrial Products, Oil, Gas & Chemicals, and Power, Utilities & Renewables CEOs expect to need only 10-14% less office space.
- 43% less business travel in 2022, compared to 2019 levels. Power, Utilities & Renewables CEOs anticipate the steepest decline, expecting business travel to be 57% less.

Virtual work is here to stay

CEOs expect more than one-third of their employees to continue working from home even a year from now.

Average percentage of employees expected to work remotely

- Pre-crisis levels: 16%
- At its maximum: 76%
- Now: 78%
- Jan-22: 69%
- %: October 2020 survey results

Professional Services and Technology CEOs cite highest percentage of workforce working remotely (more than 85%) in January 2021.
Continued focus on digital transformation and attention to employee mental health and well-being

- 98% Employee mental health and well-being will be a priority, even after the pandemic is over
- 85% The pandemic significantly accelerated digital transformation
- 75% The pandemic is fostering formation of new partnerships and alliances

CEO commitment to Diversity, Equity, and Inclusion (DEI) appears strong

- 94% Agree DEI is a personal strategic priority/goal
- 90% Say their organization aspires to be an industry leader in DEI
- 72% Plan to disclose DEI metrics to the public

Percentage of CEOs who ranked each of the following as one of the top three most important priorities for the new US administration over the next two years:

- 59% Restoring trust in government
- 55% COVID relief and economic recovery
- 33% Infrastructure
- 32% Climate change
- 30% Education and workforce training
- 21% Trade policy/tariffs
- 20% Health care affordability and coverage
- 20% Reducing the national debt/deficit
- 19% Racial equity
- 17% Foreign policy
- <5% Immigration policy
- <5% Corporate tax policies
- <5% Anti-trust regulation/enforcement

CEOs divided on climate agenda

CEOs recognize climate change as an important priority for the US administration and one-third have already achieved or plan to achieve zero carbon emissions by 2030

When does your organization plan to reach net-zero global carbon emissions?

- 10% Already achieved
- 27% By 2030
- 23% By 2050
- 40% We do not have a plan

Has your organization published a disclosure in line with the Task Force on Climate-Related Financial Disclosure’s (TCFD) recommendations and industry-specific Sustainability Accounting Standards Board (SASB) standards?

- 33% Yes
- 12% No, but planning to in the next year
- 22% No, but considering a plan for disclosure
- 33% No plans at this time

CEOs saw 2020 as “challenging” and “tough”

Describe 2020 in one word

- 94% CEO commitment to Diversity, Equity, and Inclusion (DEI) appears strong
- 90% Plan to disclose DEI metrics to the public
- 72% Plan to disclose DEI metrics to the public

CEOs are “hopeful” about 2021

Describe 2021 in one word

- 98% Employee mental health and well-being will be a priority, even after the pandemic is over
- 90% The pandemic significantly accelerated digital transformation
- 94% Agree DEI is a personal strategic priority/goal
- 100% Say their organization aspires to be an industry leader in DEI
- 72% Plan to disclose DEI metrics to the public

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