



C-suite barometer

Insights from the Africa and
Middle East region

mazars

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Foreword

At the end of 2021 we ran our annual C-suite barometer, surveying over 1,000 executives from around the world, including more than 135 from the Africa and Middle East (AME) region. In the AME region, we uncovered a sense of confidence and resilience, with a significant majority of executives predicting revenue growth in 2022. With the impact of the pandemic ongoing, and new challenges arising from financial and political instability around the world, these are qualities that are likely to be tested once again this year.

Our C-suite barometer provides us with the opportunity to hear about and investigate the latest issues and developments our clients in the region are facing. By responding effectively, we can support our clients in seizing opportunities, responding to challenges, and achieving their objectives.

One of the most notable findings of our 2021 study is the high level of confidence we encountered among businesses in responding to market trends and transformations. In the dynamic markets of the AME region, confidence and a belief in future prosperity were particularly strong, and higher than the global average. AME leaders expect to transform their businesses in the near future. Businesses that have survived the pandemic thus far have overcome extraordinary challenges, which has given them confidence in their resilience, and that they can achieve revenue growth in 2022.

It was also interesting to discover that a high number of AME executives feel cybersecurity risks have increased over the past year, although risks remain slightly lower than the global average. With both cybercrime and data protection regulations on the rise, it's no surprise that this topic is high on the agenda of the C-suite in the region. Confidence again proved to be very strong, with the majority of AME businesses feeling confident their data is completely protected. However, it is important that leaders don't become complacent in this area and continue investing to keep up with the latest security requirements, as the potential damage – both financial and reputational – is huge.

The study shows that environmental, social and governance (ESG) factors are becoming increasingly important in C-suite decision making in the AME region. Nevertheless, it is apparent there is a gap between the intention of businesses to take ESG seriously, and the actions they take to realise that good intention.

Covid-19 has driven huge transformations in both the way we work, particularly with the move to homeworking (although homeworking is seen as a long-term change by fewer businesses in the AME region than the global average), and the leadership skills AME executives feel they need. The C-suite in the region prioritise strategic vision, problem solving, innovation and resilience in their leaders. Competition for talent is immense, as are people's expectations for the way businesses behave. Businesses in the AME region will need to build a competitive advantage by demonstrating their values and investing in developing a workforce with the right skills.

Throughout 2022, there will inevitably be challenges for businesses in the AME region. But challenge brings opportunity, and that's where Mazars can help. Whether it's through our audit or advisory services, we help our clients build businesses that are more resilient, sustainable and successful in the long term. We look forward to continuing to do this over the years ahead.



Anoop Ninan
Co-CEO
Mazars in South Africa



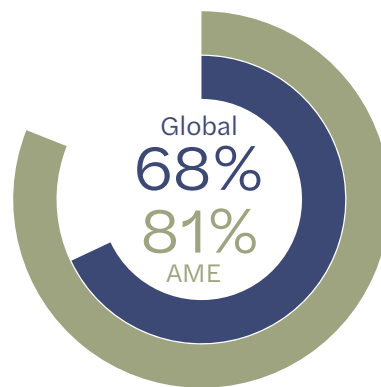
Ali Cherif
Managing Partner
Mazars in Tunisia

Transformations ahead: Technology and sustainability top the list

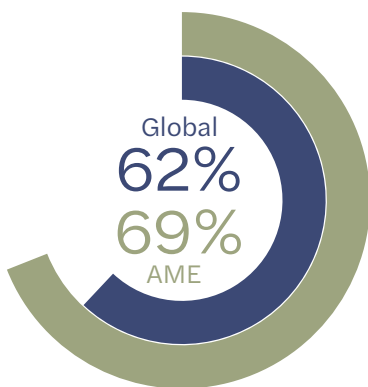
Our research shows that leaders around the world expect to transform their businesses, with technology- and sustainability-related transformations being the most likely.

The Africa and Middle East (AME) region showed particularly high enthusiasm, with a large majority of C-suite executives anticipating upcoming transformations in environmental, social and governance (ESG) and technology.

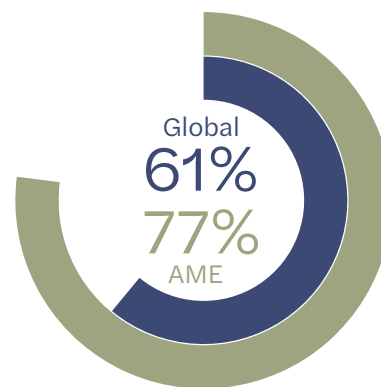
In the AME region, more than four in five executives (81%) expect their businesses to undergo a technology transformation, which is 13% higher than the global average (68%). Just over two-thirds (69%) expect a transformation in their sustainability strategy, which is 7% higher than the global average (62%). Further, 77% of AME C-suite executives expect a transformation in performance improvement, which is 16% higher than the global average (61%).



Businesses expecting to go through a technology transformation in the next three to five years.



Businesses considering a transformation in their sustainability strategy in the coming three to five years likely.

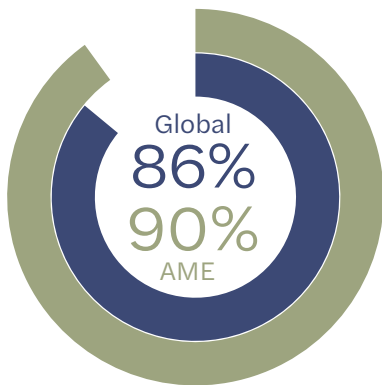


Businesses predicting a transformation in performance improvement in the next three to five years.

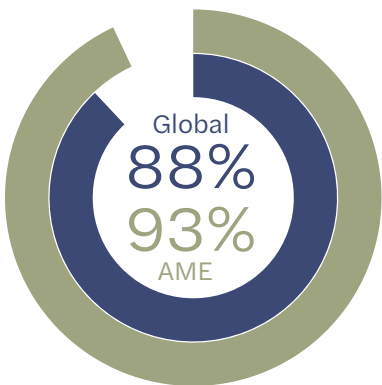
Confidence to respond

At the end of 2021, business leaders reported a high level of confidence in responding to the trends and transformations identified. Optimism for future prosperity is very high in the AME region, with nine in ten executives (90%) predicting revenue growth in 2022, which is 4% higher than the global average (86%).

Businesses have had to dig deep and show resilience over the past two years. With the impact of the pandemic ongoing and the shocking events in Europe, this resilience will be needed again. Our research suggests that those who have survived are feeling stronger for it, and C-suite executives in AME are particularly confident in their crisis resilience. Some 93% say that they're confident their business can overcome a crisis, which is 5% higher than the global average (88%).



Businesses predicting revenue growth in 2022.



Companies are confident they have the resilience to weather a crisis





Cyber risk

Just over half (51%) of AME C-suite executives think that cyber security risks have increased over the past year, which is slightly lower than the global average (54%). In AME, more than a third (36%) think a significant data breach is likely in the next 12 months - this is in line with the global average (35%).

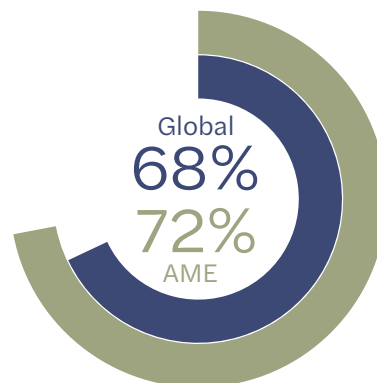
However, despite thinking cyber security risks have increased, the majority of businesses, including 72% in the AME region, remain confident that their data is fully protected, which is 4% higher than the global average (68%).

In the face of increasing cyber risks...



Over half of respondents believe the cyber security risk to their organisation has increased over the past 12 months.

...confidence remains high



Over two-thirds are confident their data is completely protected.

Harnessing the power of technology

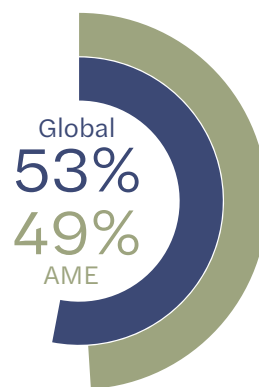
The pandemic showed the world a new way of working, as businesses harnessed technology and adapted to remote working. Globally, 45% of executives say remote working was the most significant challenge for their businesses caused by Covid-19. And it seems, having tackled these challenges, remote working is here to stay - although to a lesser extent in AME than other regions: 50% globally and 41% in AME say increased remote or flexi-working is a long-term change for their business.

Leaders expect trends in technology/innovation to have the biggest impact on their business in the coming years: they are confident they can respond and are planning to increase investment in IT systems.

Globally, over half (53%) expect technology/innovation trends to have a major impact on their business in the next three to five years. In the AME region, this is slightly lower at 49%. However, nearly every leader is confident their business can respond: 94% globally and 97% in AME - the highest of all regions.



Remote working is here to stay: businesses expect increased remote or flexi-working to be a long-term change for their business.



Technology trends are firmly on executives' radars: over half expect technology/innovation trends to have a major impact on their business in the next three to five years.



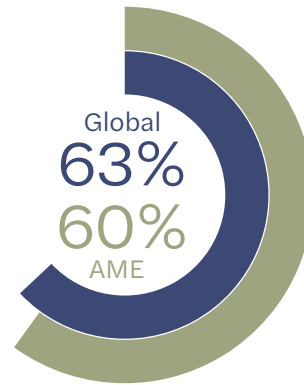
ESG now firmly on the C-suite agenda

ESG is now a clear priority for the C-suite, and many businesses expect to transform their sustainability strategies. Most businesses, including just over half in the AME region (51%, compared to 58% globally), sharpened their focus on ESG as a result of Covid-19, and the majority have made public commitments on a range of ESG issues.

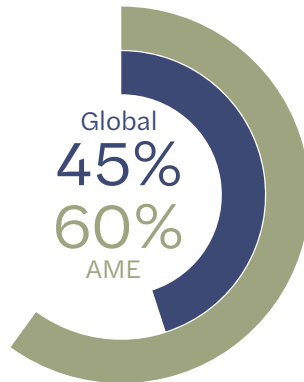
The majority of businesses already produce a sustainability report (63% globally and 60% in AME) and most of the remaining businesses (25% globally and 28% in AME) plan to in the coming 12 months.

More than half of global respondents have already made public commitments to most ESG topics. More than two-thirds (67%) of AME businesses have made a public commitment to reducing waste, which is 5% higher than the global average (62%). Further, AME businesses are highly focused on health and safety (67%, compared to 63% globally) and human rights (64%, compared to 55% globally).

When exploring the most important reasons for ESG investment, businesses in AME clearly identified brand/reputation as the main driver (60% vs 45% globally) - the highest figure for this driver across all regions.



The majority of businesses already produce a sustainability report.



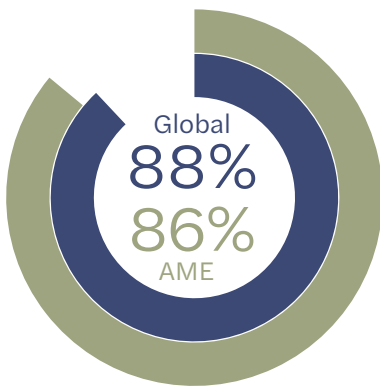
Brand/reputation is the most important reason for ESG investment.



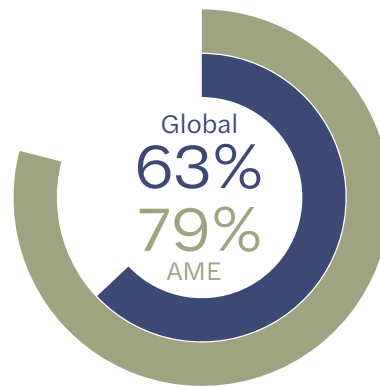
Core leadership skills needed to meet the needs

Do businesses have the leadership skills they need to achieve their aspirations? Our study shows that in the AME region, C-suite executives believe they have the leadership skills they will need. Some 86% say they have either all (39%) or most (47%) of the skills they need to weather the next three to five years. This is slightly lower than the global average, where 88% say they have either all (40%) or most (48%) of the leadership skills they will need in the coming years.

In the AME region, 79% of businesses say that Covid-19 has changed the leadership skills they need, compared to 63% globally. C-suite executives in this region consider strategic vision and planning (41%, compared to 39% globally) and innovation (40%, compared to 36% globally) as top leadership skills. Globally, strategic vision and planning was seen as the most important leadership skill (39%).



Most leaders believe their leadership team has the skills their organisation needs for the next three to five years.



Executives say Covid-19 has changed the future leadership styles their organisation needs.



Methodology

The Mazars C-suite barometer was designed and conducted by GQR Research, in collaboration with Mazars. The data was gathered via an online survey between 24 September 2021 and 25 October 2021. The total sample is N=1,130, with 1,096 sourced from online panels and 34 invited via email directly from Mazars.

Job role		Industry		Annual revenue (USD)	
CEO, Chairman, Board	706	Financial Services	219	\$1m-\$100m	432
Other C-suite executive	423	Technology & Telecoms	178	\$100m - \$1bn	350
		Retail & Consumer Products	149	\$1bn+	348
		Automotive & Manufacturing	166		

Region	Country	Sample	Region	Country	Sample
Africa & Middle East	Egypt	20	North America	Canada	53
	Kenya	20		United States of America	55
	Morocco	20	Latin America	Argentina	10
	Nigeria	20		Brazil	25
	South Africa	35		Chile	29
	United Arab Emirates	20		Colombia	30
		Mexico		72	
		Uruguay		5	
Asia-Pacific	Australia	23	Europe	France	50
	China	20		Germany	60
	Hong Kong	20		Ireland	15
	Indonesia	20		Italy	53
	Japan	20		Netherlands	51
	Malaysia	15		Spain	50
	Philippines	20		Switzerland	22
	Singapore	20		United Kingdom	50
	South Korea	20		Turkey	3
	Vietnam	20			
Central & Eastern Europe	Austria	9	Total	39 countries	1,130
	Poland	36			
	Romania	48			
	Russia	43			
	Slovakia	12			
	Ukraine	16			

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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services*. Operating in over 90 countries and territories around the world, we draw on the expertise of more than 44,000 professionals – 28,000+ in Mazars' integrated partnership and 16,000+ via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

*Where permitted under applicable country laws

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